

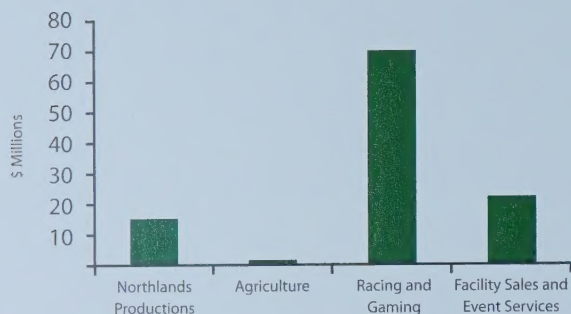
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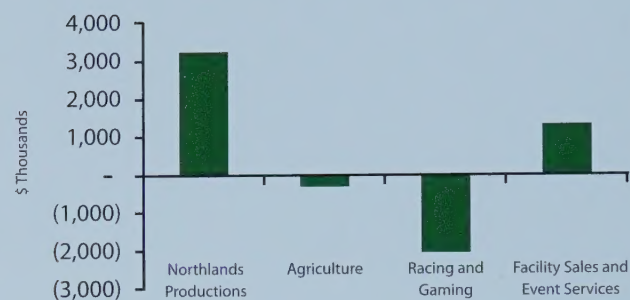




Revenues 2004



Event Contributions - 2004



Years ended December 31	2004 \$000s	2003 \$000s	2002 \$000s
<b>Revenues</b>			
Northlands Productions	15,102	14,145	13,918
Agriculture	1,802	1,712	1,629
Racing and Gaming	69,448	60,893	57,887
Facility Sales and Event Services	22,287	22,871	21,574
	108,639	99,621	95,008
<b>Event Contributions*</b>			
Northlands Productions	3,193	2,991	3,604
Agriculture	(317)	(137)	328
Racing and Gaming	(2,036)	(1,783)	4,192
Facility Sales and Event Services	1,309	(618)	1,155
	2,149	453	9,279
<b>Net Earnings (Loss)</b>			
Northlands Productions	3,103	2,910	1,375
Agriculture	(329)	(140)	328
Racing and Gaming	2,393	2,424	5,467
Facility Sales and Event Services	2,436	545	1,144
Other**	(3,370)	(2,373)	(2,034)
	4,233	3,366	6,280
Working capital (deficiency)	(1,806)	(6,471)	(10,918)
Long-term debt (non-current)	2,760	2,920	2,974
Net Assets	25,103	20,870	17,504
Capital expenditures	4,482	3,084	11,257

\* before grants, interest and depreciation.

\*\* Indirect grounds and building maintenance, administration and corporate programs, sales and marketing, net grant revenue and other income.



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# Mission

To be the foremost provider of entertainment, community service, business development, agricultural and trade events in Edmonton and north-central Alberta.

# Vision

Northlands Park will be recognized as an outstanding supporter and leader in providing exceptional exhibition and gaming facilities in Western Canada.

Creating a place to connect the lives and livelihoods of north-central Albertans and Edmontonians is the founding and enduring mandate of Northlands Park. Founded in 1879 to meet the needs of a growing agricultural region, we continue to have a profound impact on the communities we serve. In 2004, events held on our site generated \$342 million in direct spending, as well as supporting \$888 million in economic activity. As a volunteer, not-for-profit organization, our 270 full time, 1,350 part time/event staff and volunteer force 1,000 strong, provide the programs and maintain the facilities for the benefit of all Edmontonians and north-central Albertans. All revenues are reinvested to ensure the programs and facilities are here for years to come.

Hosting more than 3.5 million guests each year on the 166-acre site, we rank as Edmonton's second largest tourist attraction. Whether attending an exhilarating performance at Canadian Finals Rodeo, experiencing a day at the fair during the Klondike Days Exposition or seeing the finest livestock in the land at Farmfair International, guests are experiencing the best Edmonton and Northlands Park has to offer. Playing a leading role in the horse racing industry, visitors to the Spectrum experience live and simulcast racing for both standardbred and thoroughbred horses throughout the year. This state of the art facility also includes an impressive selection of slot machines.

The AgriCom and Rexall Place are operated and maintained by Northlands Park. These two facilities host an impressive 2,500 events each year including hockey, concerts, consumer and commercial trade shows and a diverse range of catered events.





**ELECTED DIRECTORS**

**DOUG BIENERT**

Volunteer since 1973 | Member since 1973 | Director since 1998

Doug Bienert is an agricultural consultant with a 34-year background with Alberta Agriculture where his work focused on 4-H initiatives, international marketing and animal industry issues. He has been involved with the Alberta Holstein Association, and is a founding member of the Millet and District Agricultural Society and the Millet Lions Club.

**JERRY BOUMA, SECOND VICE-PRESIDENT**

Volunteer since 1994 | Member since 1994 | Director since 1999

Jerry Bouma is a partner of Toma and Bouma Management Consultants, which specializes in the provision of strategic and business planning services to the agri-food industry. He is also a board member of Horse Racing Alberta and a member of the Canadian Agri-Marketing Association as well as the Alberta Food Processors Association.

**JIM CAMPBELL, FIRST VICE-PRESIDENT**

Volunteer since 1995 | Member since 1996 | Director since 1998

Jim Campbell is a labour relations strategist specializing in advanced mediation and negotiations. He recently completed work with the Alberta School Boards Association. Mr. Campbell also serves as a mediator with the Civil Court Mediation Project and is a past chairman of the Public Service Pension Board.

**RICK CARTER**

Volunteer since 1995 | Member since 2003 | Director since 2002

Rick Carter is president of Cartermedia Communications and The Show Film and Video Productions Ltd. He has been involved in a variety of community boards including the Royal Alexandra Hospital Foundation (past chair), the Phoenix Theatre, and is also a member of the Edmonton Football Officials Association.

**BARBARA DIXON**

Volunteer since 2001 | Member since 2002 | Director since 2003

Barbara Dixon owns and operates a purebred shorthorn and commercial cattle operation. She serves on the Highland Feeders Alliance Program steering committee, is a facilitator with the Alberta Environmental Farm Company and is a member of the Provincial 4H Heifer Show Committee and the Vermilion 4H Interclub Committee. Ms. Dixon is also the past director of the Alberta Shorthorn Association and the past assistant general leader of the Manville Multi 4-H Club.

**PETER ELZINGA**

Volunteer since 1994 | Member since 1994 | Director since 1995

Peter Elzinga is the former chief of staff to the Office of the Honourable Ralph Klein, a position he held between February 1998 up to his retirement in March of 2004. He also served 12 years as a member of parliament. Mr. Elzinga is a member of the Chamber of Commerce and serves as a director on the 2001 World Games Legacy Foundation.

**AARON FALKENBERG**

Volunteer since 1997 | Member since 1998 | Director since 2001

Aaron Falkenberg is a poultry farmer and a senior citizen housing developer. He is chair of Growing Alberta, an agricultural and food industry awareness program. Mr. Falkenberg also serves on numerous other agricultural initiatives as chair including the Agricultural Value-Added Corporation and the Alberta Chicken Producers.



**LAURA GADOWSKY**

Volunteer since 1993 | Member since 1995 | Director since 2003

Laura Gadowsky, a certified meeting planner, is president of Gadowsky Special Event Management and is currently the manager for event services for the Alberta Centennial Major Events Division. She is an active volunteer in the community and serves on the Edmonton Rodeo Cowboys Benevolent Foundation and the organizing committee of Kaleidoscope Gala Fundraising Dinner for the Victoria Composite School Foundation.

**GORDON GILROY**

Volunteer since 2000 | Member since 2000 | Director since 2003

Gordon Gilroy is president of Vision Design Communications. He has been involved in numerous community organizations including the Edmonton Art Gallery, and currently serves as on the board of the Stollery Children's Hospital Foundation and is also a member of the Glenora Rotary Club.

**BARB GORDON\***

Volunteer since 1988 | Member since 1999 | Director since 2000

Barb Gordon is a personal trainer and owner of BRG Training. She also serves as president of the YWCA, and was a board member of the Downtown Business Association and past chair of the association's marketing council.

**ANDREW HUNTLEY**

Volunteer since 1972 | Member since 2002 | Director since 2002

Andrew Huntley is an investment portfolio manager specializing in commercial real estate. He is active in his community and has served as a board member for the Capital Health Authority, a trustee for the University of Alberta Hospital Foundation and was a founding director of the Real Estate Council of Alberta.

**LEAH JONES**

Volunteer since 1995 | Member since 2001 | Director since 2002

Leah Jones is the regional member relations representative for United Farmers of Alberta, and also a purebred cattle producer. She is a past president of the Alberta Simmental Association. Ms. Jones holds a Bachelor of Science Degree in Agriculture from the University of Alberta.

**HAROLD KINGSTON**

Volunteer since 2000 | Member since 2000 | Director since 2001

Harold Kingston is a partner of Kingston Ross Pasnak, Alberta's largest independent chartered accountancy firm. In addition to serving on numerous community boards, Mr. Kingston is chair of the Finance and Audit Committee at Grant MacEwan College, vice-chairman of the Canadian Breast Cancer Foundation - National Board, and chairman of the Canadian Breast Cancer Foundation - Alberta/NWT Chapter. He is also chairman of the Alberta Diabetes Foundation.

**DALE LESCHIUTTA, PRESIDENT**

Volunteer since 1987 | Member since 1990 | Director since 1995

As president of Northlands Park, Dale Leschiutta, an airline captain with Air Canada, brings many skills, as well as a wealth of knowledge of the rodeo industry, to his many hours of volunteer service. As a long-standing volunteer with Northlands Park, he has served in many capacities, contributing his time and talents to developing programs such as Rodeo Magic, Farmfair International, Black Tie Bingo, Klondike Chuckwagon Derby and Canadian Finals Rodeo (CFR). Dale is also the current Commissioner of the CFR, vice-chair of the Association of Rodeo Committees of the United States, and an active member of the rodeo community in Western Canada.

**WENDY SCHNEIDER**

Volunteer since 1994 | Member since 1994 | Director since 1998

Wendy Schneider is a rancher and oversees an extensive family-owned purebred Black and Red Angus cattle operation. Ms. Schneider is also a strong supporter of agricultural youth activities and plays a lead role in many 4-H and junior livestock events in her community.



**MELANIE WILSON\*\***

Volunteer since 2001 | Member since 2002 | Director since 2005

Melanie Wilson is a sales coordinator for ACCESS Television. She is a member of the Canadian Thoroughbred Horse Society and the Horseman's Benevolent and Protection Association. Ms. Wilson is also involved with the Stollery Children's Hospital Snowflake Gala.

**JOHN WINDWICK**

Volunteer since 1997 | Member since 1997 | Director since 2000

John Windwick is general manager for ATB Investor Services. He is a member of the Kinsmen Club of Edmonton, and was the tournament chair for the TELUS Edmonton Opens Canadian Tour Professional Golf from 1995 to 2002.

**BORIS YAREMKO**

Volunteer since 1997 | Member since 1997 | Director since 2000

Boris Yaremko is a retired superintendent with the Edmonton Police Service and is currently the security manager at Kingsway Garden Mall. He is a member of the Edmonton Shrine Motor Corps of the Al Shamal Shriners and a past director of the George Spady Centre.

**ERIC YOUNG, Q.C., PAST PRESIDENT (2002-2004)**

Volunteer since 1996 | Member since 1994 | Director since 1997

Eric Young, Q.C. is past president of Northlands Park and is counsel at Bryan and Company, Barristers and Solicitors. He was admitted to the Alberta Bar in 1979, and was appointed Queen's Counsel in 1998. He is also involved in a variety of volunteer appointments and is currently chair of the Board of Governors at Grant MacEwan College and vice-chair of the Alberta Association of Colleges and Technical Institutes. Mr. Young is very active within his community and has served on numerous organizations including the past president of the PC Association of Alberta, the University of Alberta Foundation and the Canadian Cancer Society.

**DIRECTORS REPRESENTING THE CITY OF EDMONTON**

**MAYOR STEPHEN MANDEL**

Director since 2004

Mayor Stephen Mandel, elected on October 18, 2004, began his career on City Council in 2001 as a councillor for Ward 1. He is an accomplished member of the Edmonton business community and has volunteered his time for numerous community organizations including the Alberta Heart Institute, Allen Gray Continuing Care and the Jewish Community Centre.

**COUNCILLOR BRYAN ANDERSON**

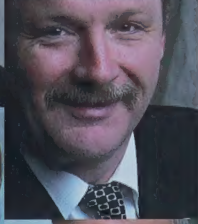
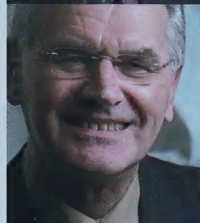
Volunteer since 2001 | Director since 2001

Bryan Anderson is a second-term City of Edmonton Councillor. He sits on a wide variety of civic committees including the Alberta Capital Regional Alliance. Councillor Anderson also participates in many community organizations including Basketball Alberta Board of Directors and the Association of Youth Basketball Clubs Special Advisory Committee.

**COUNCILLOR JANE BATTY**

Volunteer since 1974 | Member since 1994 | Director since 2001

Jane Batty is a second-term City of Edmonton Councillor. She is a foundation member of the Odyssey, a member of the University of Alberta Senate, the Royal Alexandra Hospital Foundation and the Edmonton Glenora Rotary Club. Ms. Batty also serves on numerous civic committees including the Edmonton Police Commission. She was a Northlands Park elected board member for six years prior to her election to city council.



**COUNCILLOR JANICE MELNYCHUK**

Director since 2001

Janice Melnychuk is a second term City Councillor for northeast Edmonton. She has been an elected school trustee and has been involved in many community projects over the past several years. Councillor Melnychuk currently serves on various civic committees including the 118th Avenue Renewal Initiative.

**COUNCILLOR MIKE NICKEL**

Director since 2004

Mike Nickel is a first-term City of Edmonton Councillor. He has been extremely involved in municipal politics and led the Capital Region LRT Group from 1999 to 2001. He is a business man, has a master's degree with the University of Alberta and currently serves on Greater Home Builders Association government liaison committee.

**DIRECTOR REPRESENTING THE PROVINCE OF ALBERTA**

**GEORGE VANDERBURG, MLA**

Director since January 2005

George VanderBurg has been a member of the Legislative Assembly for Whitecourt-St. Anne since 2001. Mr. VanderBurg also serves as chair of the Standing Policy Committee on Energy and Sustainable Development.

**DIRECTORS REPRESENTING THE GOVERNMENT OF CANADA**

**IVAN IVANKOVICH**

Volunteer since 1984 | Member since 1986 | Director since 1988

Ivan Ivankovich is a Professor Emeritus at the University of Alberta, School of Business. He is also involved with several community service organizations including the Canadian Centre for Social Entrepreneurship, the Edmonton Chamber of Commerce and the Rotary Club of Edmonton.

**HOWARD STARKMAN, Q.C.**

Director since 2003

Howard Starkman, Q.C. is counsel at Synder & Associates, Barristers and Solicitors. He was admitted to the Alberta Bar in 1962 and to the Northwest Territories Bar in 1981. He was appointed Queen's Counsel in 1981. Mr. Starkman has been president of the Misericordia Hospital Foundation and a member of the executive of the Misericordia Hospital Board of Directors. He served as the first chair of the Capital Health Crown Foundation, and is past president of Congregation Beth Israel.

**COMMUNITY APPOINTMENTS**

**LYLE BEST**

Volunteer since 2003 | Member since 2003 | Director since 2004

Lyle Best is president and chief executive officer of Quikcard Solutions Inc. He has been involved in the employee benefits industry for almost 30 years and also serves on numerous community, charitable and corporate boards including the Royal Alexandra Hospital Foundation, Junior Achievement and the Edmonton Oilers Community Foundation.

**HOWARD WEIR**

Member since 1998 | Director since 1996

Howard Weir is an Edmonton Transit operator. He is involved in his community and served as president of the Montrose Community League for nine years.

\*retired in October 2004

\*\*appointed in February 2005



**HONORARY  
LIFE  
DIRECTORS**



DALE COLE Member since 1976 Past President 1990 – 1991	HARRY HOLE Member since 1948 Past President 1974 – 1976	GLEN W. LAVOLD Member since 1974 Past President 1984 – 1985	H.L.D. (LEN) PERRY Past President 1980 – 1981 Honorary Life Member 1985	DON H. SPRAGUE Member since 1966 Past President 1988 – 1989	JIM WORONIUK Member since 1983 Past President 1998 – 2000
JACK L. BAILEY Member since 1961 Past President 1972 – 1973	DON M. HAMILTON Member since 1970 Past President 1986 – 1987	WARREN HOLTE Member since 1981 Honorary Life Director 1990	MIKE MARPLES Member since 1973 Honorary Life Director 1992	JR SHAW Member since 1978 Honorary Life Director 1997	DR. ROBERT WESTBURY Member since 1977 Past President 1994 – 1996
E.I. CLARKE, JR. Past President 1956 – 1957	W.J.M. (BILL) HENNING Member since 1962 Past President 1966 – 1967	DON F. JACKSON Member since 1977 Past President 1996 – 1998	A. ROSS MCBAIN Member since 1967 Past President 1978 – 1979	ALLAN A. SHENFIELD Member since 1970 Past President 1982 – 1983	GORDON WILSON Member since 1974 Past President 2000 – 2002

HONORARY DIRECTORS  
HIS HONOUR, THE HONOURABLE NORMAN KWONG, CM, AOE  
THE HONOURABLE RALPH KLEIN, PREMIER OF ALBERTA  
All members of City Council

DALE LESCHIUTTA President	JIM CAMPBELL First Vice-President	JERRY BOUMA Second Vice-President
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**OFFICERS AND SENIOR  
MANAGEMENT  
OF NORTHLANDS PARK**

KEN KNOWLES General Manager and Chief Operating Officer	MARK BAMFORD Assistant General Manager, Chief Financial Officer, Corporate Secretary and Treasurer	LES BUTLER Assistant General Manager, Racing and Gaming	OPAL BLACKSTOCK Assistant General Manager, Corporate Programs	REY WOSAR Assistant General Manager, Business Development
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Northlands Park wishes to express its sincere thanks for the support it receives from the Alberta Lottery Fund and the Provincial Government. In 2004, Northlands Park was the recipient of \$7 million. These essential funds were used to support programs and facilities that Northlands Park is committed to preserving for the benefit of all Edmontonians and north-central Albertans for years to come.



Northlands Park would like to acknowledge and thank the City of Edmonton for its \$2.3 million contribution. These funds are directed towards offsetting the costs associated with the operations of Rexall Place, a first-class facility that attracts national and international events to our city.

#### OFFICIAL SPONSORS

Coca-Cola Bottling Ltd.  
DaimlerChrysler Canada Inc.  
EPCOR  
Molson Canada  
TELUS

Champion Feeds  
Children's Ability Fund  
City of Edmonton  
Cliff's Towing Service Ltd.  
Cook County Saloon  
Crystal Glass Canada Ltd.  
Diamond International Trucks Ltd.  
Direct Energy Business Services

Morand Industries Ltd.  
NewCap Broadcasting  
Procter & Gamble Inc.  
RBC Royal Bank  
RE/MAX Real Estate  
Ridgewood Homes Inc.  
Rock Placement Company  
Schering-Plough Animal Health

#### CORPORATE SPONSORS

Agriculture & Agri-Food Canada  
Alberta Agriculture Food and Rural Development  
Alberta Co-Op Taxi Line Ltd.  
Alberta Motor Association  
All Weather Windows  
ATB Financial  
BFI Canada  
Boston Pizza  
Brand West Marketing Services  
Budget Rent A Car of Edmonton Ltd.

Finning Canada  
Free For All Marketing Inc.  
Gigunda Group, Inc.  
Good Humor – Breyers Ice Cream  
Head West Energy Inc.  
Infield Marketing Group  
Jet Label & Tape  
JTI-Macdonald Corp.  
Lammle's Western Wear & Tack  
McCain Foods (Canada)  
Merial Canada Inc.

Sears HOME  
The Cat Rental Store  
The Gencom Group  
Tim Hortons  
United Farmers of Alberta  
Unilever Foodsolutions  
Wahl Manufacturing Company  
Wrangler



As we join together to celebrate Alberta's centennial, our hearts are warmed by the enduring words of our late Lieutenant Governor, the Honourable Lois Hole. A good friend of so many in this province and a special friend of Northlands Park, she reminded us that "the heart and soul of Alberta doesn't lie in the rich farmland, the majestic Rockies, the precious oilfields or bustling cities. As wonderful and important as those features may be, that heart resides in our people."

Looking out across our 166-acre site, we embrace the heart and progressive spirit of the people who live in the many communities we serve. We are preparing for a new chapter in our history. We are challenged to envision the future and how we can continue to serve our customers, guests and partners. Detailed study and analysis, completed in 2004, leads us to an important turning point in our history. We are creating a new vision for our organization that will revitalize our site, facilities and operations. As 2005 unfolds, we look forward to sharing this vision with all of the communities we serve.

Our mission demands that we focus on the future to deliver our commitment to be the foremost provider of entertainment, community service, business development, agricultural and trade events.

Generating in excess of \$108 million in revenues in 2004, our business is a key driver of economic activity in this region. Last year, Northlands Park generated more than \$342 million in direct spending in our local economies. This economic impact is felt well beyond our regional borders, as the programs and activities on our site also supported \$888 million in spending.

These contributions are created by our four core business areas, agriculture, event productions, facility sales and event services, and racing and gaming. Each of these areas achieved their goals and celebrated a high level of accomplishment in 2004.

The 31st edition of Farmfair International, continued to highlight our strong agricultural roots. Canada's premier livestock showcase brought together buyers and sellers of livestock and breeding lines from across Alberta and around the world. The launch of the Canadian Genetics Exposition and Exchange highlighted a continued international demand for Canadian beef bloodlines.

Our organization is very proud to continue to be the home of a world-class show jumping event, The Edmonton Northlands Horse Show. We sincerely applaud the efforts of the Edmonton Hunter Jumper Association for its tremendous work in producing such a high-quality event, and for its ongoing support and promotion of this regal sport in our community.

Achieving an important milestone with a new \$1 million purse and a 10-year contract ensures that the Canadian Finals Rodeo remains on the event calendar in Western Canada, north-central Alberta and Edmonton. This year's attendance record was also a new milestone with 94,223 people cheering for the 2004 rodeo champions.

Another exceptional event was this year's Klondike Days Parade, when a great crowd of 200,000 people joined us to celebrate the City of Edmonton's 100th Anniversary. The spirit of celebration continued with 10 days of feature performers and exhibits. We are proud to report that Klondike Days received eight 2004 Western Fairs Association Achievement Awards, including three first place honours, for the media kit, posters, web site, television advertising, safety program, newspaper advertising and program schedule.

A record breaking concert year with 25 concerts in Rexall Place, continued to make 2004 a year to remember. Headliners included top performers such as George Strait, Shania Twain, Metallica, Nickelback, Van Halen, Cher, Sting and Aerosmith. Despite the NHL labour dispute, guests were able to enjoy AHL hockey with the Edmonton Roadrunners playing 19 games.

Fly higher

See farther



The AgriCom also continued to play a key role in our economy by serving numerous industries, community organizations and groups with an extensive line-up of trade shows and special events.

The harness racing and thoroughbred seasons were highlighted by the stunning six lengths Western Canadian Pacing Derby win of Lil Dude Starrbuck, a tremendous race for one of the top harness drivers on the continent – Luc Oullette. The 75th Anniversary of the Canadian Derby was celebrated in style and Organ Grinder, captured the richest purse in Derby history.

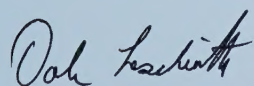
Our tradition of presenting a diverse variety of events for our communities is captured on our historical website - northlandsmemories.com. To celebrate our 125th anniversary we built the site to share memories about the people, places and events that describe our organization from its early roots to recent times. This valuable and living resource is one that will be available for many years to come as a location for information on the history of our vibrant organization.

People from all walks of life travel paths that are linked with ours. In this year's report you will meet representatives of our staff, volunteers, guests and members of the community with whom we share common goals and achievements. The pride of completing a course of study, the exhilaration of winning a competition, the anticipation of living a long-planned for dream, the potential of a new life, the satisfaction of giving back to your community. These are just a few of Northlands experiences that highlight the roles we play today and look forward to continuing to be a part of in the future.

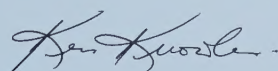
We would not be able to play key roles such as these without our greatest resource - our people. The volunteers and staff of Northlands Park are to be commended for the many contributions they made to our achievements in 2004. We look forward to their continued creativity and innovation as we strive for a bright future.

In closing, we would like to recognize the important contributions we receive in the form of financial support from the Province of Alberta and the City of Edmonton. These grants are key factors in our ability to enhance the quality of life and strengthen the regional economies for our city and province. On behalf of our Board of Directors, volunteers and staff, we thank them for their support and partnership. We also thank our many stakeholders, and community and business partners with whom we continue to build strong ties and create new opportunities.

Our vision demands we look ahead and plan creatively and carefully to meet the future needs of our communities. We do this, never losing site of the fact that the 3.5 million guests who pass through our gates each year are the heart and soul of our province and our reason for being.



Dale Leschiutta  
Volunteer President



Ken Knowles  
General Manager  
& Chief Operating Officer







animals; players of a game, etc., associated in an  
with amusements; unblemished,  
feats or contests of strength.  
force, etc., of his own fr

Benefiting from  
the gift of knowledge



## SOCIAL CONTRIBUTIONS

Take a closer look at Northlands Park and you'll soon discover that we are not only a positive ingredient in the lives of our volunteers and staff, but in the lives of school children, post secondary students and hundreds of nonprofit organizations we support throughout the year.

Northlands Park is more than just a ferris wheel, a rodeo, a venue for an agricultural event or the home of a professional sports team – we are the support system behind many of the great events and outstanding individuals that make north-central Alberta such an incredible place to live, work and visit. Following are some of the ways in which we reach out to enrich the lives of those around us.

### ALBERTA'S PROMISE

Creating opportunities for youth is one of our greatest pursuits. As an Alberta's Promise Partner (a child and youth support initiative established through an Act of the Alberta Legislature), Northlands Park contributes to the goals of the partnership through the following programs – Talent Explosion and County Vocal Spotlight (amateur vocal competitions), and Monday Morning Magic and Rodeo Magic.

### MONDAY MORNING MAGIC AND RODEO MAGIC

The smiles say it all – Monday Morning Magic, produced in conjunction with Conklin Shows, gives children with special needs a chance to experience Edmonton's Klondike Days Exposition without the usual crowds. Rodeo Magic gives special needs children a chance to be a cowpoke for a day with help from 'real' cowboys and cowgirls.

### ICE SCHOOL

School's in at Northlands Park. Thanks to an innovative educational partnership between Northlands Park and the Edmonton Oilers Community Foundation, elementary students have the opportunity to move their classroom to Rexall Place for an entire week of study exploring the entire 166-acres of Northlands Park. More than 1,000 students (54 classes) have attended ICE School since the program's inception in 2002.

### NORTHLANDS PARK

#### EDUCATIONAL ENDOWMENT FUND

Since 1982, the Northlands Park Educational Endowment Fund has helped thousands of students pursuing a variety of studies, including agriculture, reach their post secondary goals. More than \$700,000 in bursaries and scholarship have been awarded since the program's inception.

#### EDMONTON RODEO COWBOY'S BENEVOLENT FUND

Established by Northlands Park in 1989 to provide financial assistance to injured rodeo athletes and their families in times of need, the Edmonton Rodeo Cowboy's Benevolent Foundation is one of the most valuable programs supporting professional rodeo in Canada. More than \$550,000 has been distributed to recipients since 1989.

#### MAKING DREAMS COME TRUE

Northlands Park, together in conjunction with Edmonton's major service clubs (ACT, Kinsmen, Rotary, Lions and Edmonton's Klondike Days Association), raise more than \$500,000 for good works in our community each year during Edmonton's Klondike Days Exposition.

NorQuest College students and Northlands Park Bursary Recipients,  
Shukri Pillana and Florence Kellie





A great day  
powered by vision





## KLONDIKE DAYS EXPOSITION

An exceptional line-up of feature performers and exhibits took centre stage at Klondike Days 2004, showing that “A Klondike Day is a really great day.” From the cheers of 200,000 people watching the parade, until the final fireworks faded, Edmonton’s Klondike Days Exposition once again earned its place as the region’s biggest summer festival. A total of 747,483 people poured through the gates over the 10-day event, representing three-quarters of the Capital Region’s entire population. For a mere \$8, fair patrons were charmed by feature act Cirque Des Amis, rocked by award-winning performers such as Sam Roberts and Fefe Dobson headlining the TELUS Stage, and guided through an exotic safari at the African feature show. The 10th annual Klondike Chuckwagon Derby had spectators sitting on the edge of their seats as the racers careened around corners on the edges of their wheels.

Paul Lucas, Business Unit Manager, Northlands Productions and Rick Carter, Northlands Park Volunteer Board Member and Director responsible, Klondike Days Exposition





The pursuit  
of two passions



## CANADIAN FINALS RODEO

When Northlands Park challenged the community to “Check out its country side,” the people responded with a resounding “YEE-HAW!” With an attendance of 94,223, the 31st Canadian Finals Rodeo (CFR) broke previous records by almost 3,000 people. And there were other numbers to hang our hat on – a new \$1 million purse and a 10-year deal announced during CFR ensures rodeo’s top cowboys and toughest stock will continue to buck and ride at Northlands Park. All this excitement seemed to spur the contestants on to even greater heights, with several neck-and-neck battles for championship titles being decided in the final performance. Add the world’s best trick roper into the entertainment mix, and the final result is one for the record books.

### 2004 Canadian Finals Rodeo Champions

All-Around Champion – Rod Warren, Big Valley, AB

Canadian High Point Champion – Rod Warren, Big Valley, AB

Bareback Riding – Roger Lacasse, Mirabel, QC

Steer Wrestling – Justin Guenthner, Consort, AB

Team Roping – Murray Linthicum, Glentworth, SK,  
and Marty Becker, Magrath, AB

Tie Down Roping – Cliff Williamson, Madden, AB

Saddle Bronc – Rod Hay, Wildwood, AB

Ladies Barrel Racing – Jill Bishop, Edmonton, AB

Bull Riding – Rob Bell, Houston, BC

Novice Bareback – Dusty Roberts, Didsbury, AB

Novice Saddle Bronc – Luke Butterfield, Ponoka, AB

Miss Rodeo Canada – Christa Lawrence, Miss Rodeo Maple Creek, SK

Jill Bishop, 2004 Canadian Finals Rodeo Champion, Ladies Barrel Racing and first year medical student, Faculty of Medicine, University of Alberta





Farm  
INTERNATIONAL

Bringing science  
to life





## AGRICULTURE

Showing resilience, determination and innovation worthy of Northlands Park's rural roots, Farmfair International bucked a downward industry trend in 2004. While other large agricultural shows lost exhibitors because of problems in the beef industry, Farmfair International refocused on its strengths and emphasized service, showing our clients that we put great stock in their business. The exhibitor numbers have increased – in 2004 the increase was 31 per cent, with total livestock sales increasing by 50 per cent.

The launch of the first edition of the Canadian Genetics Exposition and Exchange highlighted a continued demand for Canadian beef bloodlines around the world. An all-new farm implements element diversified the show's value for visitors and exhibitors, and the Charolais breed took centre stage during a dramatic "Survivor Challenge". The re-packaging of the opening weekend as Farmtastic Fun Weekend drew visitors from Edmonton and surrounding communities to enjoy smaller livestock displays and western events such as team penning, stock dog competitions and draft horse pulls.

With a renewed focus on common ties and the enhanced strength of working in teams, we built new partnerships and grew existing ones. Partnerships enabled us to provide a variety of programs and events to support and enhance Alberta's diverse agricultural industry in 2004. An example of our joint efforts was the new addition, to this year's Farmfair International, the very successful Bucking Horse Sale, a joint effort of Northlands Park and Vold Jones and Vold, which brought together top stock, buyers and admirers alike.

Colin Campbell, Senior Marketing and Trade Officer, Alberta and Territories Regional Office, Agriculture and Agri-Foods Canada and Northlands Park Volunteer, Farmfair International





Strong bloodlines  
heart of a champion





## RACING AND GAMING

Some memories last a lifetime – and some racing fans will never forget the incredible moments of 2004.

Luc Ouellette, arguably the top harness driver on the continent, made his first-ever visit to Edmonton in mid-June to win the Western Canada Pacing Derby by a stunning six lengths with Lil Dude Starrbuck.

Almost two months later, under the bright sunshine of a late August afternoon, Organ Grinder captured the richest Canadian Derby in history after a heart-pounding stretch drive. After winning the 75th Derby by a nose, Organ Grinder returned to Toronto and was a finalist in voting for Canada's top three-year-old thoroughbred.

After a simply outstanding season, Northlands leading jockey Quincy Welch was also nominated to win a Canadian award. No jockey in this country won more races in 2004 than Welch, making him a worthy finalist to win Canada's top riding honor, the Sovereign Award.

It was also a year to remember for local thoroughbred owners Kevin Lung and Rick Mah. They were offered – but rejected – a price of \$1 million US for 2003 Canadian Derby champion Raylene.

In total, 1.2 million racing fans and gambling enthusiasts walked through the doors at the Spectrum, which offered 626 thoroughbred races over 72 cards and 801 harness races during 71 cards.

'Nemo', owned by Calmar Stables and Ranch, one of the many weanlings in the care of Ryan Watson, farm manager





Setting the stage  
for rising stars





## ENTERTAINMENT

Concert-goers had much to choose from in 2004. Rexall Place, a key venue and one of the community's greatest assets, was host to premier entertainers such as George Strait, Shania Twain, Metallica, Nickelback, Cher, Sting/Annie Lennox, Sarah Brightman, Aerosmith, Van Halen and Sarah McLachan, who provided audiences with great entertainment and wonderful memories.

The stars also shone brightly in 2004 with award winners making Edmonton their destination and Rexall Place their performance home for two special nights of celebrating all the Canadian music scene has to offer. A star-studded night of Junos in April and the Canadian Country Music Awards in September provided opportunities to listen to great music and share in the excitement of cheering on nominees and award winners all night long.

Seating up to 18,000 guests, Rexall Place also hosted events such as Canadian Finals Rodeo, World Wrestling Entertainment's Backlash, Monster Jam and a live broadcast from centre ice of Canada AM. Other action on the ice in 2004 included 21 NHL games in the late winter and early spring. The halt in hockey action (due to the NHL labour dispute) was only temporary, as the Edmonton Roadrunners, the AHL (American Hockey League) farm team owned by the Edmonton Oilers, played 19 games in the fall.

2004 Country Vocal Spotlight winners – the Vissia Sisters; Andrea, Alexandra, and Aleisha (Aleisha and Alex Vissia were awarded the Grand Winning Act in the Open Division and Andrea Vissia was the Junior Division Winner)





On the Road  
to retirement





## TRADE AND COMMERCE

Our comprehensive show services and exceptional catering make on-site events a success and ensure that numerous memorable events are on the annual calendar. The AgriCom is the venue of choice for a large number of consumer, business, agricultural and community events with more than 325,000 square feet of adaptable exhibition space that accommodates upwards of 30,000 people.

Highlights of 2004 included events such as the very popular Edmonton Motor Show and the 25th Anniversary of the Edmonton RV Show. As well, the launch of the Home and Interior Design Show and the introduction of the Celebration Craft Show provided visitors with new experiences.

Western Canadian retailers continue to provide enthusiastic support for the two gift shows held each year. Attracting over 24,000 buyers each, these shows provide buyers with the opportunity to visit more than 1,600 companies that use all areas in the AgriCom, Sportex and Rexall Place to market their goods.

Throughout the year, the AgriCom is the location of many large catered events. These include numerous galas, graduations, fundraisers and celebrations such as the eighth annual and very successful Shared Christmas Magic Banquet, with 1,700 guests attending from 49 companies and organizations. As 2004 drew to a close, Northlands Park celebrated its 125th Anniversary with a gala for over 1,800 volunteers, staff and guests who joined together to celebrate the past, the present and all that Northlands can become in the future.

RV enthusiasts, Lloyd and Roselle Herchen, Lloyd is also a part-time Northlands Park employee on the guest services team





Giving back  
looking ahead



Northlands Park was founded by volunteers in 1879 to meet the needs of the agricultural community. Today, programs at Northlands Park continue to be spearheaded by a dedicated volunteer corps – 1,000 strong – who contribute more than 25,000 hours of service each year. Volunteer committees work in partnership with staff to plan and implement our major programs and events.

In recognition of the volunteers' invaluable contributions as well as their many skills, Northlands Park bestows an array of volunteer awards each year. This year in conjunction with the celebration of our 125th Anniversary, the following awards were presented at our Gala Anniversary Celebration on December 9, 2004.

## **SPECIAL RECOGNITION AWARDS**

The Volunteer Award of Merit is designed to recognize individuals who have provided meritorious service. There is no length of service requirement.

*Liz Acker, Terry Buchkowsky, Al Campbell, Colin Campbell, Earl Klapstein, Joan Higgins, Gladys Miller, Val Roeleveld, Tom Spiller, Marilyn Thomas, Rene Victor, Lil West, Terry West, Melanie Wilson*

The 25-Year Roll of Honour is designed to recognize individuals, companies, or community organizations that, because of their involvement with Northlands Park over a period of not less than 25 years, have contributed significantly not only to Northlands Park but also to the region of north-central Alberta.

*Doug Bienert*

Ambassador Award is presented to an individual or organization in recognition of their outstanding efforts for Northlands Park, the City of Edmonton, and to the region of north-central Alberta.

*Lewis Farms*

The Achievement Award is presented to volunteers, staff, suppliers, contributors or consultants who have—over a period of not less than 20 years—provided meritorious service to Edmonton's Klondike Days Exposition.

*Jack Rutherford*

Northlands Park Leader of Tomorrow Awards is presented to individuals 25 years of age and under to recognize outstanding contributions to Northlands Park volunteer committees and programs.

*Ashley Brewka, Bryanna Kumpula, Trina Rookes*

The Canadian Association of Fairs and Exhibitions Distinguished Service Award is designed to recognize individuals who have made a significant contribution to a particular fair or exhibition. National recognition for individuals who have given distinguished service in terms of dedication and leadership for at least 10 years.

*Betty Loree*

The Canadian Association of Fairs and Exhibitions Order of Merit is designed to give national recognition to companies and organizations who have made a significant contribution to a particular fair or exhibition, and who have given outstanding support in the form of services, sponsorships, or financial aid, and promoted the best interests of the fair.

*United Farmers of Alberta*

The Western Fairs Association Blue Ribbon Award is designed to recognize and honour those individuals or groups who have provided outstanding support to the fair industry.

*Barbara Masters, Linda Sellick*

## **VOLUNTEER SERVICE AWARDS**

65 YEARS: William Connelly

60 YEARS: Allan McDonell

55 YEARS: Harry Hole

50 YEARS: W.J.M. Henning

45 YEARS: Dan Hollands

40 YEARS: Andy Matichuk

35 YEARS: George Rife

30 YEARS: Walter Badowsky,  
Darlene Chapman, Trevor Davies,  
Norman Forbes, Rick LeLacheur,  
William Stewart

25 YEARS: Art Carlyle,  
Ronald Funnell, William Purdy

20 YEARS: Daniel Hollands Jr.,  
John Ramsey

15 YEARS: Linda Davison,  
Olga Fedoretz, George Pedersen

10 YEARS: Lois Ahlskog, Dale Belanger,  
Dennis Belanger, Walter Miller, Marion  
Owen, Ronald Symic, Mark Widney

5 YEARS: Dianne Andersen, Sasha  
Angus, J. Armstrong, Ronald Barrie,  
John Chomiak, Louise Dubois,  
Mike Dubois, Rick Dubois, Bruce  
Hogle, Judy Hughes, Derek McBurney,  
Glenda Money, John Page, Mary Ann  
Peterson, Marlene Smith, Karen Turin,  
Kristin Wosar

Gate greeters, Elaine Jones and Diana Ly, Northlands Park volunteers



Acker, Elizabeth "Liz"	Bencharsky, Natalia*	Butler, Patricia "Pat"*	Dalwood, Andrew
Acker, Matthew "Matt"	Bennett, Alexander "Sandy"	Butti, Olivia*	Daly, John
Acker, Robert "Bob"	Bennett, Gary	Byers, Joe	Damato, Claudette
Acker, Timothy "T.J."	Bentley, D. Bruce*	Byers, Richard*	Daugherty, Doug*
Adams, Ella "El"	Berg, Carl*†	Caine, Robert "Bob"*	Dauphinais, David*
Adams, James "Jim"	Berger, Patricia "Pat"	Callaghan, Patricia	Davies, Kenneth "Ken"
Adams, Lynn*	Berthelot, Emily	Campbell, Bruce*	Davies, Megan
Adams, Robert "Bob"	Berthelot, Lacey	Campbell, Colin	Davies, Sandra "Sandi"
Adolf, Elizabeth "Liz"	Berthelot, Pollyanna "Polly"	Campbell, Gary*	Davies, Trevor*
Ahlskog, Lois	Berthelot, William "Gary"	Campbell, Marilyn	Davison, Linda*
Aitken, Susan	Best, Lyle*	Campbell, R. "Jim"*	de Jong, Willie
Allen, Robb	Best, Martina "Tina"	Campbell, Rene	de Leon, Leticia
Amundrud, Rhonda	Bevans, Don	Camrose Reg. Exhibition	de Rappard, George*
Andersen, Dianne	Bevans, Shelley	Careless, Gary	Dean, Maureen*
Anderson, Bryan	Bidlock, R. "Peter"*	Cargan, Tammy	Deboer, Jerry
Anderson, Eric	Bienert, Douglas*	Carlyle, Art*	Deboer, Wilma
Anderson, James	Bijou, Lauraine	Carstairs, Cindy*	Dechaine, Alfred "Fred"
Anderson, John*	Bijou, Robert	Carstairs, Gail	Dechaine, Dianne
Anderson, Judy	Bissett, William "Bill"*	Carstairs, Kimberly "Kim"	Demers-Collins, Simone
Anderson, Karla	Bissoon, Selwyn	Carter, Richard "Rick"*	Denney, Janice
Anderson, Lillian	Black, Melissa	Cavanagh, June*	Denney, Norman
Anderson, Rita	Blake, Jennifer	Cavanagh, Terry*	Derewynka, Annie
Andrews, Chad	Blake, William "Bill"	Chapman, Darlene*	Devanthey, Stella
Andrushak, Maxine	Blake-Leavitt, Daphne	Chapman, Robert*	DeViller, Patricia
Angus, Matthew "Sasha"	Blatz, Charmaine	Cherneskey, Julie	Differenz, Valerie*
Appleton, John	Bliss, Kenneth	Cherneskey, Russell*	Differenz, Virginia*
Ardiel, Nancy "Linda"	Blume, Marlene	Cherney, Dan*	Dixon, Barbara*
Armstrong, Beverley "Bev"*	Blumentrath, Ursula	Chéron, Margaret "Diane"	Dixon, Charles
Armstrong, Donna	Bodell, Florence "Flossie"*	Chesla, Walter	Dixon, Robert
Armstrong, J. "Dave"	Bodell, Lorne*	Cholak, Francis "Frank"*	Dobush, Ken
Arnoldussen, Linda	Bohn-Kippers, Karen	Chomiak, John*	Donais, Melody
Ashbacher, Darrel	Boissonnault, Annette	Chriest, Jean*	Doolittle, Douglas*
Ashbacher, Wendy	Borst, Janice	Christensen, Dale	Doran, Jillian "Jill"
Asselstine, Eileen	Borst, John	Christiansen, Don*	Dove, Frank
Awid, Ken*	Borys, Jenelle	Clancy, Barbara	Downey, Brenda
Badowsky, Walter*	Boston, Tim*	Clark, Gary*	Drouin, Jenny
Bagshaw, William "Bill"*	Bouma, Gerben "Jerry"*	Clark, E.I.	Dubois, Louise
Bailey, John "Jack"*	Boyce, Rita	Clarke, Jesusa "Susie"	Dubois, Mike
Baird, David	Boyko, David	Clarke, C.M., Donald	Dubois, Rick
Baird, Douglas	Brandson, Dianne	Clipperton, Donald*	Duff, Donald "Don"*
Baird, Nancy	Brechin, Beverley "Bev"	Clipperton, Karen	Duggan, Neil*
Bakker, Pamela "Pam"*	Brewka, Ashley	Cole, Dale*	Duholke, Lisa
Ball, T. Raymond "Ray"*	Brewka, Dirk	Collins, Christine "Chris"	Dumas, Rubyanne
Ball, Victoria "Vicki"	Brewka, Dustin	Collins, Darlene	Dunford, Brandi
Banister, Linda*	Brewka, Sharon	Collins, Tracy	Dunford, Darren
Bannard, Bruce*	Broda, Dave	Connelly, Gerald "Gerry"*	Dunham, Jacqueline
Barrie, Ronald "Ron"	Brown, Brian	Connelly, Glenn*	Dunk, Elton*
Baruzzini, Gail	Brown, Richard "Rick"	Connelly, William "Bill"	Dyke, Robert "Bob"
Bateman, Rolly	Brown, Ross*	Connolly, Mark	Dzubiella, Frank
Batt, Diane	Brownlee, James	Cook, Barry	Eagles, Stewart
Batty, Jane*	Brownlee, Jeannette	Cooke, Greta	Eaton, Linda
Batty, Judith "Judy"*	Brydges, Sheri	Coombs, Myrna	Edwards, Tara
Beauchamp, Gerry	Buchanan, Donald*	Copeland, James "Jim"	Egert, Linda
Beauchamp, Vicky	Buchkowsky, Lisa	Craplewe, Anthony "Tony"	Eggen, Marie "Jo"
Beaulieu, Leona	Buchkowsky, Terry	Crawford, David*	Elliott, Margaret "Marg"*
Beens, Louis	Buddle, Harry*	Cripps, Charles*	Elzinga, Peter*
Belanger, Bradley	Buehler, Kim	Cripps, Shirley	Emerson, Elaine
Belanger, Dale	Burns, Donald "Don"	Crowther, Muriel	Emerson, Leroy
Belanger, Dennis	Burns, Robert "Bob"	Cruise, Diane	Erker, Dennis*
Bell, Lorne "Butch"	Burns, Terry	Cullum, Howard	Ethier, Carol
Bell, Millie	Burns, W.A. Doug	Cumming, James*	Ethier, Romeo
Belmont, Karen	Burt, Margaret	Cunningham, Kenneth "Ken"	Evans, Bryan
Benbow, Lloyd*	Butler, George*	Cyre, Clifford	Evans, Sharon



Ewanchuk, Marie  
Ewanchuk, Nick  
Ewanyk, Claire  
Falconer, James†  
Falkenberg, Aaron\*  
Fallis, Marianne  
Fandrick, Ashley  
Farley, Curtis  
Farnell, Tom\*  
Fedoretz, Olga  
Fedoretz, Steve\*  
Fedoruk, Donna  
Fedoruk, Mike  
Fedoruk, Rhonda  
Fedynak, Georgia  
Fedynak, John  
Fedynak, Wayne  
Fehlauer, Alfred\*  
Fehlauer, Elsie  
Fenniak, Todd  
Fenton, Gail  
Fenton, Loren  
Fernandes, Maurice  
Field, Carolyn  
Field, Jens  
Finseth, Douglas  
Fischer, Robert "Butch"\*  
Fisk, Jennifer\*  
Flamarique, Virginia  
Fleming, Hildegard  
Flores, Jeannine  
Forbes, James "Jim"  
Forbes, Lois  
Forbes, Norman "Muggsy"\*  
Forster, Ron  
Fouillard, Daniel  
Francetic, Michael  
Francis, John "Jack"\*  
Franke, Herta  
Fraser, Gabriela "Gabe"  
Frederick, Bonnie  
Freeland, Don\*  
Friesen, Dwayne\*  
Fritz, Felix  
Fritz, Ingeborg "Hanni"  
Froese, Aron\*  
Froese, Mary  
Fuhr, Gordon\*  
Funnell, Ronald\*  
Furlotte, Michelle  
Gabert, Matilda  
Gadowsky, Laura\*  
Galbraith, Salome "Sally"  
Galliford, Shirley  
Gallotti, Tom  
Garneau, Kelli  
Gartner-Weiss, Darlene  
Garvey, Randell "Randy"  
Gaucher, Aleta  
Geekie, Donna  
Gibbon, Carole  
Gibbon, Robert "Bob"\*  
Gibson, Ineke

Gibson, Maryanne  
Gillespie, James "Jim"\*  
Gillespie, Reginald "Reg"  
Gilroy, Christina  
Gilroy, Stuart "Gord"\*  
Gisler, Merna  
Goggin, Stephen "Steve"  
Gonek, Sheila  
Gonek, William "Bill"  
Goodman, Ken  
Goodman, Tisha  
Gorda, Arthur  
Gordeyko, Allan\*  
Gordeyko, Bernice\*  
Gordon, Barbara\*  
Gould, Hubie  
Gourley, Peter "Jamie"  
Graham, Stephen "Steve"\*  
Grainger, Donald  
Grainger, Elizabeth "Marg"  
Grams, Melanie  
Green, Susan\*  
Greenough, Greg\*  
Greer, John\*  
Gregg, Dorothy\*  
Greig, Beverly  
Grenier, Deborra  
Grieve, Zoria  
Groeneveld, Gaylene  
Groleau, Shirley  
Grotkowski, Lawrence "Larry"  
Grover, Merle  
Grover, Shirley  
Gutteridge, Paul  
Hack, Carling  
Haddock, Bonnie  
Hamilton, Donald\*  
Hanson, Arnold  
Harding, Barbara  
Harding, Elana  
Harding, Joseph "Joe"  
Harnish, Violet  
Harris, Shirley  
Harrison, Connie  
Haudenschild, June  
Haudenschild, Robert  
Haugen, Frances "Betty"\*  
Hayes, D. "Louise"\*  
Hays, Henry  
Heinz, Pamela  
Hennessy, Carol  
Hennig, Calvin "Cal"  
Hennig, Milton  
Hennig, Rita\*  
Henning, W. "Bill" J.M.\*  
Herfindahl, Carolynne  
Herfindahl, Kenneth "Ken"  
Heron, Doreen  
Heron, Olive  
Herzog, Karen  
Higgins, Joan\*  
Higgins, Raymond  
Hiller, Elaine\*

Hilts, Darlene  
Hipkin, Darren  
Hjelsvold, Randy\*  
Hleck, Harry  
Hleck, Irene  
Hnatiuk, Sharman  
Hoffman, Dolores  
Hogle, Bruce\*  
Hoglin, Brenda  
Hole, Harry\*  
Holland, Kathy  
Hollands Jr., Daniel "Dan"\*  
Hollands, Sr., Dan\*  
Holte, Warren\*  
Hood, Kathleen  
Hooper, Harold "Rick"  
Hosegood, Sandy  
Howard, Bob  
Howell, Lorne  
Howell, Myrna  
Hughes, George\*  
Hughes, Judy  
Hunt, William "Don"\*  
Hunter, Kathy  
Huntley, Andrew "Andy"\*  
Huntley, Susan "Sue"  
Hutchison, Keltie  
Ivankovich, Ivan\*  
Jackson, Donald "Don"\*  
Jackson, Earl  
Jacobs, Judith "Judy"\*  
Jacobs, Lawrence\*  
Jacobs, Thomas  
James, Kerry  
Janiten, Heather  
Janiten, Janice  
Jarvis, William\*  
Javens, Laurin  
Jewett, J. "Hilary"\*  
Jewett, Ronal  
Jewitt, Lorraine  
Johanson, Margaret "Margi"  
Johnston, Anita  
Johnston, Joyce  
Johnston, Stan  
Jones, Bryn  
Jones, Elaine\*  
Jones, Leah\*  
Jones, Mitchell\*  
Jones, Shirley  
Kadatz, Barb\*  
Kaip, Bonny  
Kalmbach, Marvin  
Kaminesky, Lillian "Lil"  
Kapoor, Jean\*  
Kashuba, Scott  
Kay, Donald  
Keefe, Dennis  
Kehl, Walter  
Kelder, Karen  
Kellett, Dave  
Keltie, Robert "Bruce"  
Kenyon, Annita

Kerr, Guy\*  
Kerr, William "Bill"  
Kerr, Yvonne "Irene"  
Khoo, Natalie  
Kinash, Victoria  
King, Samantha\*  
Kingston, David  
Kingston, Harold\*  
Kinsella, Wendy\*  
Kinsman, Eileen  
Kisilevich, Lillian "Betty"  
Kisilevich, Orest  
Kiss, Jim\*  
Klapstein, Earl\*  
Klein, Ralph  
Kluchky, Kenneth "Ken"  
Kmech, Sr., Peter\*  
Knelson, Karen  
Kobie, Franklin "Frank"\*  
Koeppen, Anne-Marie\*  
Koeppen, Carly  
Koetze, Dwayne  
Kokotilo, Louise  
Kolkman, Karen  
Kolton, Arlene  
Korchinsky, Ernie\*  
Kotelko, Bern\*  
Krause, Daryl  
Krause, Shirley  
Krauskopf, Rebecca  
Krywko, Cora  
Kuhn, Dianne\*  
Kuhn, Rhonda  
Kuhn, Ron\*  
Kulusic, Jana  
Kumpula, Bryanna  
Kumpula, Craig  
Kyle, Sandra  
LaFleche, A. Bryan\*  
Lalonde, Audrey  
Lambert, Jocelyne  
Landin, Lillian\*  
Landin, Ray  
Langley, Victor "Larry"\*  
Larson, John  
Laskey, Nancy  
Lastiwka, Alexandra "Sandra"  
Lastiwka, Michael "Mike"  
Lavold, Glen\*  
Leavitt, Sylvan "Ray"\*  
Lecocq, Harold  
Lecocq, Wendy  
Ledig, Michael  
Lee, Kathleen "Michele"  
Leicht, Betty  
Leitch, Judith  
LeLacheur, Rick\*  
Leschiutta, Dale\*  
Lewchuck, Lewis  
Lewchuck, Roxanne  
Lewis, John "Ken"\*  
Lilgert, Lothar  
Linder, Jennifer

Linder, Kathleen "Kandie"  
Lindsay, Vicki  
Lipsett, Thomas "Tom"\*  
Lipsett, Wayne\*  
Littmann, Lynda  
Loberg, Amy  
Lonsdale, Verna  
Lore, Sally\*  
Loree, Betty\*  
Louis, Peggy\*  
Lovig, Grant  
Lowey, Bruce  
Luchak, Alexander "Alex"  
Luchak, Clara "Sue"  
Lukanuk, Olga  
Lunt, Theresa  
Lupul, Allen  
Lupul, Juliette "Julie"  
Ly, Diana  
Lyster, Patric  
MacDonald, Dane  
MacDonald, George\*  
Mack, Bill\*  
MacKinnon, Annette  
MacKinnon, Daniel "Dan"  
MacLean, James "Jamie"\*  
MacPherson, Irma\*  
MacPherson, Sharon  
MacRae, Brandy  
Madill, Bert  
Madu, Edward "Ed"  
Maelbrancke, Lawrence "Larry"  
Magee, Sarah  
Mah, George\*  
Mah, Robin\*  
Majeau, Victor  
Malachowski, Stella  
Malmloff, Jack  
Malmloff, Marie  
Mandel, Stephen  
Mandryk, Ruby  
Mann, Karen  
Marler, Reg\*  
Marples, Kelly\*  
Marples, Michael "Mike"\*  
Martin, James "Jim"  
Martin, LeRoy  
Martin, Patricia "Pat"  
Martin, Sandra  
Martin, Shivon  
Martin, William "Will"  
Martinuk, Eugene "Gene"\*  
Martyn, Audrey\*  
Martyn, John\*  
Maschmeyer, Douglas "Doug"\*  
Maschmeyer, Evelyn "Lloy"\*  
Maschmeyer, Gerald\*  
Masters, Barbara  
Matichuk, Andy\*  
Matwichuk, Emily  
Maybroda, Katherine  
Mazankowski, Don  
McBain, Allan "Ross"\*

McBain, Mark  
McBain, Neil\*  
McBurney, Derek  
McCarron, Mary  
McCarten, Colin\*  
McConnell, Nadine  
McDonald, Barry\*  
McDonald, John  
McDonald, Joseph "Joe"\*  
McDonell, Allan  
McDonell, John\*  
McDougall, John\*  
McEathron, Agnes "Aggie"  
McGhan, Bruce\*  
McGhan, Marilyn  
McGregor, Ralph  
McGuire, Dorothy "Muriel"\*  
McIsaac, Judy  
McKay, Eva  
McKitrick, Christa  
McMillan, Hertha  
McMurray, Kathleen  
McPhee, Andrew  
Meadows, Lenora  
Meakin, Anna\*  
Melnchuk, Janice  
Mercer, Arthur "Art"  
Mercer, Millie  
Merrigan, Marilyn  
Middelkamp, Jacob  
Mildon, E. Lloyd\*  
Mildon, Edward "Ted"  
Miles, Marianne\*  
Millar, Harvey  
Miller, Dori-Lynne  
Miller, Gladys\*  
Miller, Wilfred "Walter"  
Milligan, John  
Milliken, Norman  
Milner, Stanley  
Mitchell, Donald  
Mittelstadt, Lovella  
Modin, Nelson\*  
Mohler, Harold "Frank"  
Mohler, Mildred  
Money, Glenda  
Monk, Lloyd\*  
Montgomery, Douglas\*  
Moonen, Lawrence  
Morton, Marie  
Moser, Charles "Chuck"  
Mullen, William "Bill"  
Murphy, Clinton†  
Murray, Brian  
Myhre, Oscar "Oz"  
Nay, Tammy  
Nelson, Allyn  
Nelson, Rita  
Nelson, Shirley\*  
Ness, Daryl  
Newman, Clarence\*  
Newman, Zonnie  
Nickel, Michael "Mike"

Nicoli, Marlene  
Nicoll, William "Dave"\*  
Nielsen, Janet "Colleen"  
Nolte, Joseph "Joe"  
Nonay, David  
Nonay, Wanda  
Norby, Reginald "Reg"\*  
Normand, Kerri  
Norwood, David "Dave"  
Norwood, Ruth  
Nowicki, Judith  
Nowicki, Walter  
Nystrom, Christina "Tina"  
Nystrom, Desiree  
Oberik, Doreen  
Ohe, Mark\*  
Ollenberger, Jillian  
Ollenberger, Sandra  
Olsen, L. O. "Buck"\*  
Olson, Fred  
Olson, Maryann  
Opalinski, Mark  
Osborne, John\*  
Ostermayer, Amy  
Ottewell, Lorne\*  
Owen, David "Dave"  
Owen, Marion  
Owen, William "Bill"\*  
Packford, Guy\*  
Page, Gail\*  
Page, John "Roger"  
Pageé, Bernice  
Pageé, Rene  
Paisley, Loretta "Lorry"  
Panas, Catherine  
Panchyshyn, Derek  
Papenhuyzen, Charles  
Park, Diana  
Park, Linda  
Parker, Dianne  
Parsons, Alan\*  
Patriquin, Gordon\*  
Paul, Larry\*  
Paull, Helen\*  
Pawelek, Rooth\*  
Pearse, Brian\*  
Pearse, John "Jack"\*  
Pedersen, George\*  
Pedersen, Harry\*  
Pederson, Edward  
Pennock, D. "Bruce"\*  
Perry, Burke\*  
Perry, Len  
Peters, John  
Peters, Marlene\*  
Peterson, Mary "Mary Ann"  
Petherbridge, Leona  
Petruck, Cheryl  
Pierce, Colleen  
Pirtle, Arla  
Plaizier, Peter "Pete"\*  
Playdon, Kathy\*  
Plunkie, Irene

Pohl, Lauree  
Pointe, Gregory "Greg"  
Porat, Rhonda  
Posthuma, John  
Posthuma, Wilbur "Willy"  
Potiuk, Kris  
Power, Helen  
Powers, Joan  
Prefontaine, Colleen  
Preshing Sr., William "Bill"\*  
Prestage, Robert "Bob"\*  
Price, James "Jim"  
Pritchard, Alexis  
Proctor, Bradley "Brad"  
Proctor, Donna "Gayle"\*  
Proctor, John  
Prokopiw, Wayne  
Purdy, William "Bill"\*  
Pylypa, Belinda  
Quaife, Sharon  
Qualizza, Juanita  
Quarrie, Kelson\*  
Ramage, Valerie "Val"  
Ramsey, John\*  
Rasmussen, Annie "Anne"  
Ratcliff, Peter  
Rault, Linda  
Ream, Jennifer  
Reid, Shelley  
Reinhardt, Barry  
Reminsky, Esther\*  
Rice, Ronald  
Richards, Jessica  
Rife, George\*  
Rigney, Reed\*  
Roadhouse, Katie "Kay"  
Roberts, Mary "Lynn"  
Robertson, Zetha  
Robinson, Angele  
Robinson, Kathie  
Robinson, Wilf  
Rodgers, David "Dave"  
Rodgers, Wendy  
Rodych, Karen  
Roeleveld, Valerie "Val"  
Roeske, Murray\*  
Rogucki, Louise  
Rogucki, Terry  
Romanko, Willis\*  
Ronaldson, David "Dave"\*  
Rookes, Dave  
Rookes, Gail  
Rookes, Terri-Jo "T.J."  
Rookes, Trina  
Rosichuk, Shirley  
Rosin, Fred  
Roth, Joanne  
Roth, Nelson  
Rotundo, Angela  
Routhier, Gail  
Russell, Carolyn  
Rutherford, Jack\*  
Saban, Matthew



Sagert, Sharon  
Sampert, Raymond "Ray"\*  
Sample, Sharyn  
Sanders, Doris  
Savage, Frances "Fran"\*  
Savage, Marjorie  
Savill, Lisa  
Schindler, Christina  
Schmermund, Donnie "Don"  
Schmid, Horst  
Schmidt, Lois\*  
Schmuland, Kerri-Lee  
Schneider, Wendy\*  
Schoepp, Wayne  
Schrieber-Touchings, Tammy  
Schultz, Cheryl  
Schultz, Ed\*  
Sciur, Gary\*  
Sebastianelli, Ricardo "Rico"\*  
Sedgwick, Laura Ann  
Sedgwick, Tim  
Seiersen, Chris\*  
Sellick, Linda  
Semotiuk, Nick\*  
Shaw, Elizabeth "Liz"  
Shaw, JR  
Shaw, Peter  
Sheard, Glenda\*  
Sheets, Lyle  
Shenfield, Allan\*  
Shenfield, Kevin\*  
Shields, Nancy  
Shologan, Mark  
Sibbald, Bernard "Bernie"  
Sibbald, Maryke "Mary"  
Siltanen, Leila "Lil"  
Siltanen, Raymond "Marty"  
Sime, Carol\*  
Simmons, Wilhelmina "Pat"  
Skarsen, Elyse  
Skarsen, Moreen  
Skelly, William "Bill"\*  
Skoreyko, Alan\*  
Skoreyko, Dale  
Skoreyko-Borchert, Ronda  
Skripitsky, Rose "Alice"  
Skruzdy, Diane  
Sliwa, Elizabeth "Liz"\*  
Sloan, Margaret  
Smalian, Ernie  
Smith, Darryl\*  
Smith, Leigh  
Smith, Marlene  
Smith, Shelley  
Smith, William "Bill"  
Sneddon, Carl  
Spelten, Darlene  
Spence, Edward  
Spence, Gloria "Judy"  
Spiller, Thomas  
Sprague, Donald\*  
Sprague, Kenneth "Ken"\*  
Sprague, Pat

Sprague, Sandra  
Spring, David  
Spurrell, Gary  
Stachniak, Jan  
Stark, Doris  
Stark, Orville  
Starkman, Howard  
Stasiuk, Sonya  
Steadward, Robert "Bob"  
Stevenson, Orville\*  
Stevenson, Patricia "Pat"\*  
Stewart, Betty  
Stewart, Dwayne  
Stewart, Jenna  
Stewart, William "Bill"\*  
Stinson, Lorri  
Stoik, Violet  
Stone, Nathan\*  
Storch, James "Jim"  
Storrier, Kelly  
Strain, Terry  
Strand, Grant  
Stremel, Shelley  
Stroh, Joan  
Such, Fred  
Suchy, Michael  
Surbey, Brenda  
Sutherland, Pamela  
Sutherland, W. G. "Bill"\*  
Swart, Sarah  
Symic, Ronald "Ron"\*  
Szott, Michael "Mike"  
Szumlas, John\*  
Takacs, Piroška "P.J."  
Tanton, Victoria "Vicki"  
Taylor, Donald "Don"  
Tchir, Anna  
Tchir, Jeanette "Jayne"  
Telford, Gordon  
Telford, J. "Laura"  
Telford, Joan  
Thatcher, Kenneth\*  
Thomas, Marilyn  
Thomas, Warren\*  
Thompson, Caroline  
Thorp, Elana  
Thut, Vivian  
Tiffen, Patricia  
Tober, Ann  
Tober, Glennis  
Toma, Jackie  
Treble, Greg  
Tsoukalas, Theresa "Tree"  
Tully, Pat  
Tupas, Numeriana "Nelly"  
Turin, Johnny "John"\*  
Turin, Karen  
Turin, Mary  
Turko, Daniel\*  
Turko, Patricia "Patti"  
Turner, Barbara\*  
Tweddle, John\*  
Tymchuk, Karen

Tymchuk, Michelle  
Ubbing, Denise  
Upright, Dennis  
Van de Walle, Walter\*  
Van Dusen, Deanna  
VanderBurg, George  
Vandermeer, Audrey  
Vandermeer, Cornelis "Casey"\*  
Vandermeer, Gerrit "Jerry"\*  
VanNeck, David  
Vegreville Ag. Society  
Verbeek, Corine  
Verlinde, Pat  
Victoor, Rene  
Wagner, Tyson  
Wakefield, Gregory  
Waldner, Tom  
Walker, Cindy  
Walker, Robert\*  
Walker, T. J. "Rod"  
Wanechko, Candace  
Wanechko, Nicole  
Warring, Doug  
Warring, Molly Anne\*  
Watt, J. Angus\*  
Watt, John "Jack"  
Webb, Kenneth  
Webb, Micheal\*  
Webber, Garry\*  
Weber, David  
Weber, Walter\*  
Wedman, Cynthia "Cindy"  
Weir, Eva  
Weir, Howard\*  
Weir, Mahlon\*  
Weiss, Mervin  
West, Esther  
West, Gerry  
West, Gordon  
West, Jason  
West, Lillian "Lil"\*  
West, Norman  
West, Terry "T.J."  
Westbury, Robert "Bob"\*  
Westerner Exposition Assc  
Weston, Judith "Judi"  
Whitford, Lance  
Wick, Donna  
Wick, Nicole  
Wickham, Alanna  
Wickham, Candice  
Wickham, Douglas\*  
Wickham, Sharon  
Widney, Mark\*  
Wilfladt, Elmer  
Wilkes, Annette  
Wilkes, Brian  
Wilkes, Greg\*  
Wilkes, Karen  
Wilkes, Penny\*  
Wilkie, Eileen  
Williams, William "Bill"  
Williamson, Leocadia

Wilson, C. Gordon\*  
Wilson, Kim  
Wilson, Lorne  
Wilson, Melanie\*  
Wilson, Traci  
Windwick, Fred\*  
Windwick, John\*  
Witham, Jill  
Withers, Norm\*  
Wood, Jennifer\*  
Woronuik, James "Jim"\*  
Worrell, Leonard  
Wosar, Kristin  
Yakimchuk, Margaret  
Yakimyshyn, Eugene "Terry"  
Yakimyshyn, Kathleen "Katie"  
Yankowsky, Julius\*  
Yaremkevich, Raymond  
Yaremko, Boris\*  
Yaremko, Teresa\*  
Yeates, Jonathan  
Yee, Kazue "Kay"  
Yee, Tony  
Yewchuk, Luba "Lil"  
Yonkers, Eileen\*  
Youck, Robert "Ted"\*  
Youck, Sophie "Bernice"  
Young, Eric\*  
Young, Nicole  
Yuen, Gerald\*  
Yurkiw, Larry\*  
Zawacki, Jennifer  
Zelenak, Laurie  
Zelenak, Michael  
Zelmer, Hubert "Aaron"  
Zerr, Philip  
Zilinski, Fred\*  
Zilinski, Judy  
Zimmerman, Carol  
Zuk, Rhonda  
Zylstra, John\*  
Zylstra, Shirley

\*Members †Deceased

Members hold voting shares, which cannot receive any dividends nor appreciate in value. Shares cannot be held by persons south of Township 34, or in estates of deceased members.



Strong roots  
new growth



## PREFACE

This financial review, which has been prepared to provide management's discussion and analysis of our financial condition and results of operations for the year ended December 31, 2004, should be read in conjunction with our audited consolidated financial statements and accompanying notes for the year ended December 31, 2004. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

The statements and information in this financial review regarding potential future circumstances and developments are qualified by the inherent risks and uncertainties involved and may therefore differ materially from our actual future experience. There is no expectation or obligation to update or revise any forward-looking sections as a result of new information, future events or other circumstances.

## ABOUT OUR BUSINESS

### Who we are

Northlands Park is a non-profit organization that provides a wide range of programs in the areas of agriculture, racing and gaming, trade shows, exhibitions, entertainment and community service for the benefit of all Edmontonians and residents of north-central Alberta. In order to provide these programs, we operate and maintain several important community facilities.

The Directors of Northlands are elected volunteers who are not paid for their services. The shareholders, who are also volunteers, cannot receive dividends, nor can their shares appreciate in value.

### Business strategy and values

We strive to be the foremost provider of entertainment, community service, business development, and agricultural and trade events in Edmonton and north-central Alberta. Therefore, one of our key challenges lies in meeting the diverse needs of our many different stakeholders while also ensuring the development of new revenue sources. Another significant challenge is operating and maintaining various large community facilities such as the Northlands Spectrum Racing Entertainment Centre, Rexall Place and the AgriCom building.

The strategic direction for Northlands Park through 2007 includes:

- To plan and develop our site and facilities to facilitate the enhancement of operations
- To foster a greater awareness of Northlands Park within the communities we serve and external markets

## PERFORMANCE RESULTS FOR 2004: HIGHLIGHTS

### Key achievements

Events and activities at Northlands Park in 2004 generated \$342 million in direct spending and supported \$888 million in economic activity and provided employment for 270 full-time and 1,350 part-time staff. We also offered opportunities to – and received benefits from – 1,000 volunteers.

Klondike Days and the Canadian Finals Rodeo (CFR) both did well in 2004. Klondike Days had strong attendance in 2004 and continues to be one of our major contributors to the bottom-line with consistent results. The CFR had record-breaking attendance, and we successfully negotiated a 10-year agreement with the Canadian Professional Rodeo Association to keep this event at Northlands over the next decade.

Farmfair International (FFI) is one of Canada's premier livestock showcases and an important part of life in the Edmonton area and in Alberta since 1879. In 2004 FFI featured approximately 1,500 cattle and 550 horses, along with a variety of other animals.

The racing and gaming area maintained or enhanced its performance in all areas. Slot play and the net win per hour increased 17 per cent. The racing handle was up by five per cent – a significant achievement since ours was the only major racing operation in Canada to report an increase this year. The off-track network was up by 13 per cent as well. With a purse of \$250 thousand in 2004, the Canadian Derby became one of the richest races in Western Canada.

The facility sales and event services area had one of its most successful years ever in 2004, with 25 concerts booked at Rexall Place (as compared to between 13 and 15 concerts in a normal year). The AgriCom was fully booked during the peak trade show seasons in 2004.

### Total Annual Revenues

Total annual revenues increased by \$9 million, or 9% to reach \$109 million.

	2004 \$000s	2003 \$000s	2002 \$000s
Northlands Productions*	15,102	14,145	13,918
Agriculture	1,802	1,712	1,629
Racing and Gaming	69,448	60,893	57,887
Facility Sales and Event Services**	22,287	22,871	21,574
	108,639	99,621	95,008

\* Klondike Days and Canadian Finals Rodeo

\*\* Professional Hockey, Concerts, Trade Shows and Special Events

Changes in revenues from the previous year's results in these areas:

- Northlands Productions - \$957 thousand higher than previous year
- Agriculture - \$90 thousand higher than previous year
- Racing and Gaming - \$8.6 million higher
- Facility Sales and Event Services – \$584 thousand lower

### Event Contributions before Grants, Interest and Depreciation

Event contributions before grants, interest and depreciation increased by \$1.7 million to reach \$2.1 million.

	2004 \$000s	2003 \$000s	2002 \$000s
Northlands Productions	3,193	2,991	3,604
Agriculture	(317)	(137)	328
Racing and Gaming	(2,036)	(1,783)	4,192
Facility Sales and Event Services	1,309	(618)	1,155
	2,149	453	9,279



## Net Earnings by Business Area

Net earnings at Northlands Park increased by 26% as compared to earnings in 2003.

Business Area	Net Increase (Decrease)	Net Earnings (Loss)
	\$000s	\$000s
Northlands Productions	193	3,103
Agriculture	(189)	(329)
Racing and Gaming	(31)	2,393
Facility Sales and Event Services	1,891	2,436
Other*	(997)	(3,370)
<b>Total</b>	<b>867</b>	<b>4,233</b>

\* Indirect grounds and building maintenance, administration and corporate programs, sales and marketing, net grant revenue and other income.

## Total Assets and Long-term Financial Liabilities

Our working capital deficiency (the excess of current liabilities over current assets) continued to decline. Capital expenditures were financed out of cash flow from operations. Net assets increased \$4.2 million to \$25.1 million of which \$21.5 million is invested in capital assets and \$4 million represents accumulated operating surplus.

	2004	2003	2002
	\$000s	\$000s	\$000s
Working capital (deficiency)	(1,806)	(6,471)	(10,918)
Long-term debt (non-current)	2,760	2,920	2,974
Net Assets	25,103	20,870	17,504
Capital expenditures	4,482	3,084	11,257

## Changes in the organization

In January 2004 we reassigned some of the responsibilities of each of our four assistant general managers to better align their portfolios with the four core businesses of Northlands Park. These core businesses are event production (including Klondike Days and the Canadian Finals Rodeo), agriculture (including Farmfair International), racing and gaming, and facility sales and event services (including hockey, concerts and trade shows).

The assistant general managers also have responsibility for support functions that cross all core businesses and are essential to the successful and efficient management of our organization.

## DETAILED OPERATING RESULTS

### Net Income (Loss)

	2004	2003	2002
	\$000s	\$000s	\$000s
Northlands Productions	3,103	2,910	1,375
Agriculture	(329)	(140)	328
Racing and Gaming	2,393	2,424	5,467
Facility Sales and Event Services	2,436	545	1,144
Other*	(3,370)	(2,374)	(2,034)
<b>Total</b>	<b>4,233</b>	<b>3,366</b>	<b>6,280</b>

\* Indirect grounds and building maintenance, administration and corporate programs, sales and marketing, net grant revenue and other income.

## Northlands Productions

Klondike Days was very successful, in large part because of a strong line-up of entertainment and activities for attendees. These included commercial exhibits, Klondike Days Casino, the brewhouse, AgVenture, this year's feature exhibit showcasing Africa, raffles and a successful new feature held in Hall D – Cirque des Amis (a show featuring internationally renowned circus artists). The Cher concert, held during Klondike Days, was also a big draw.

We made a special effort in 2004 to celebrate the City's 100th anniversary and engage corporate Edmonton in the Klondike Days parade, which is one of the largest free events held in Edmonton each year (attendance for 2004 is estimated at 200,000).

To create a festival atmosphere during the Canadian Finals Rodeo (CFR) a group of community members organized the River City Round Up, a concept that was developed by Northlands. The festival developed and promoted a number of new and existing western-themed events to create more awareness and community involvement in the CFR and Farmfair International (FFI). Northlands supported River City Round Up's inaugural year through the provision of cash (\$125 thousand), operational expertise, volunteers and chattels.

We signed a 10-year contract with the Canadian Professional Rodeo Association to keep CFR at Northlands Park from 2004 through 2013. Under this agreement, Northlands Park has sole responsibility for providing prize money and stock contractors' remuneration; which in 2004 was approximately \$1 million and \$375 thousand respectively. The overall increased obligation is approximately \$475 thousand. To offset this, two levels of government have committed to grants that will ensure this event, which has a large economic impact, remains in Edmonton. We have also negotiated expanded revenue opportunities in sponsorship and merchandising.

The revitalized opening ceremonies and grand entry of each CFR performance were exceptionally well-received. This new standard will be an important factor to maintain audience satisfaction in the future. Attendance figures reached a new high – 94,231 as compared to 91,572 in 2003. Several steps were taken in 2004 to promote the event and increase attendance. For example, through partnerships with IGA and Save-On-Foods, we were able to offer discounts on ticket purchases.

## Agriculture

The agricultural economy in Alberta has been weakened by the BSE crisis and drought for the past several years. Even so, we were able to maintain the size and quality of FFI 2004 by making it a priority event, as called for by a renewed commitment to agriculture at Northlands Park. This event attracted or retained numerous corporate sponsorships and provincial/federal government grants in 2004, and relationships with exhibitors were built and strengthened.

Research conducted in 2002 and 2003 indicated that beef exhibitors thought this event was performing well but they wanted to see improvements in customer service. Northlands Park responded proactively on a variety of fronts and our customers said they were pleased with the following changes that were made:

- A new, tightly focused marketing campaign with the theme "We put great stock in your business" made it clear that Northlands Park was addressing the concerns of exhibitors and buyers and striving for higher standards at FFI.
- Special efforts to keep costs down for the exhibitors resulted in an increase in the number of entries. Entry fees remained at the same level as for previous years.
- We gave exhibitors who entered four animals the opportunity to enter a fifth animal free of charge.
- We launched the first edition of the Canadian Genetics Exposition and Exchange.
- Steps were taken to improve the air quality in the buildings.
- We broadened the awards program to include an Ambassador award for small livestock including llamas, alpacas and goats.



We have worked to make FFI a place to come and do business and market genetics both domestically and internationally.

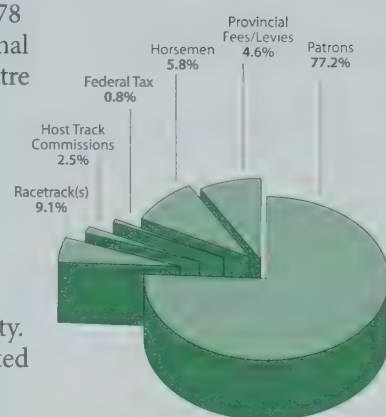
To attract urban customers, we redeveloped the opening weekend as Farmtastic Fun Weekend which included events such as stock dog trials and a draft horse pull.

## Racing and Gaming

Northlands Park continues to play a leadership role in helping Horse Racing Alberta (HRA) achieve their goals. In 2004 the handle or pari-mutuel wagering at Northlands track was \$78 million – an amount representing 50 per cent of the total handle bet in Alberta. An additional \$24 million, or 15 per cent, of the total Alberta handle, was provided by the Alberta Teletheatre Network, of which Northlands is a 55 per cent joint venture partner.

We are increasingly more reliant on the slot net win to fund purses; increased foreign simulcasts have also helped to improve revenues. Enhancements to the Canadian Derby purse attracted some very good horses and HRA is considering adding another \$100 thousand to stakes purses next year.

A \$5.5 million renovation of the Northlands Spectrum (replacing an indoor paddock with additional hospitality space), begun in 2004 will enhance services at this busy facility. This renovation project is expected to increase revenues. The benefits that were anticipated as a result of the resurfacing of the racetrack that was completed in 2004 has horsemen already reporting fewer injuries and there were no lost days at the track this year. In a northern climate such as Edmonton's, maintaining a good surface, with the right mixture of dirt and sand and proper drainage, is an ongoing challenge throughout the racing season.



Distribution of a dollar wagered - 2004

## Facility Sales and Event Services

Facility sales and event services manages the marketing, licensing and rental of Northlands Park facilities for client-produced events such as NHL and AHL hockey, concerts, trade shows and catered events. Results for this business area exceeded projections all across the board. Two of the top-grossing performers, George Strait and Metallica, provided returns that far exceeded the budgeted estimates. The unusually high level of activity with regard to concerts is caused by the increased ticket sales our market is generating, the rise in the Canadian dollar and a fundamental change for entertainers with respect to their business model.

We made appropriate financial arrangements with the Edmonton Oilers in respect to the NHL labour dispute. The Edmonton Roadrunners, an AHL farm team of the Oilers, played 19 games at Rexall Place.

## Other results

Northlands Park has a remarkable level of staff retention with many employees who have achieved in excess of 15 years of service to the company. Their expertise, knowledge and creative contributions to our programs and events cannot be underestimated as we continue to strive to develop new and engaging products for our markets.

Northlands Park depends heavily on volunteer involvement. In 2004 our volunteers provided approximately 25,000 hours of outstanding service during Klondike Days, the Canadian Finals Rodeo, Farmfair International and other events. Volunteers took on a wide range of duties such as driving VIPs and entertainers, greeting people at the gate, staffing booths, providing guided tours and hosting.

The role of the volunteers goes beyond simply helping us to handle the innumerable tasks that need to be done during major events, although that in itself is a valuable service. Since many of the volunteers also have expertise and talent in a variety of areas, we invite them to work with Northlands staff (for example, by serving on committees) to enhance our services and find the best possible solutions to the problems we encounter.

## Operating Expenses by Business Area

	2004 \$000s	2003 \$000s	2002 \$000s
Northlands Productions	11,909	11,154	10,810
Agriculture	2,119	1,849	1,491
Racing and Gaming	71,484	62,676	54,175
Facility Sales and Event Services	20,978	23,489	22,705
	106,490	99,168	89,181

## Other revenue and expenses

General grounds and building maintenance expenses reflect those costs not directly attributable to the Spectrum, the AgriCom or Rexall Place. Water, power and heating are significant components of Northlands Park expenditures. General administration and corporate programs reflect costs not directly attributable to the core business segments: service areas include the operations of executive office, the board and volunteer service expenses. As well, finance, human resources and technology services business areas, and contributions to other groups are represented.

## Other Expenses

	2004 \$000s	2003 \$000s	2002 \$000s
Grounds and building maintenance	1,321	1,333	1,154
Water, power and heating	3,257	3,069	2,847
Administration and corporate programs	3,098	2,742	2,827
Sales and marketing, net of corporate sponsorship revenue	1,641	1,523	1,258
Depreciation and interest expense	1,052	706	947
	10,369	9,373	9,033

## Grant Income

	2004 \$000s	2003 \$000s	2002 \$000s
Alberta Lottery Fund – Agricultural and Economic Initiatives	7,000	7,000	7,000
Horse Racing Alberta	7,419	6,329	4,756
City of Edmonton Support Agreement	2,300	2,400	2,400
	16,719	15,729	14,156

## OUTLOOK FOR 2005

Klondike Days and the Canadian Finals Rodeo are expected to continue the positive trends of growth and enhancement that have been evident over the past few years. In 2005 Klondike Days will celebrate Alberta's centennial by hosting a Military Tattoo and Prairie Finds: Alberta Shows Off.

Our ongoing investment in agriculture reflects our commitment to this key sector of the Alberta economy. In 2005, Farmfair International will continue promotions to exhibitors to make it worth their while to participate. As well, the equine industry is likely to remain strong in the Edmonton area and our ability to offer them quality programming is a key area for growth. In June 2005, Northlands will host the nationally televised Edmonton Hunter Jumper Show, one of seven Kubota Cup events held in Canada. We are positioning ourselves to offer a solid preparatory event for top competitors at Spruce Meadows in Calgary.



Racing and gaming will face some challenges in 2005, including the introduction of a smoking bylaw in the City of Edmonton. The well-designed physical layout of our facility as well as our continued focus on excellent customer service will be key factors for success in 2005. If racing and gaming is able to maintain the level of revenues it achieved in 2004, it will be doing well, as the live racing handle across Canada was off by six per cent in 2004.

Facility sales and event services will host the Tim Hortons Brier, at Rexall Place in March 2005. This event is expected to make a significant contribution to the results for the coming year. Although the level of performance achieved by concerts (25 major concerts) in 2004 is considered an anomaly, we anticipate a more traditional level of activity (15 major concerts) in 2005. This forecast combined with the expectation for a very successful Brier make the outlook for this area in 2005 very positive.

We plan to develop the land on the east side of Northlands Park in 2005, in accordance with the guidelines laid out in the Area Redevelopment Plan. This plan was developed with the City of Edmonton and our neighbouring community leagues. This development will allow us to accommodate additional parking spaces, as well as outdoor exhibitions and programs.

### Financial and Capital Management/Liquidity

Consolidated assets were \$95.4 million as at December 31, 2004, compared to \$94.9 million as at December 31, 2003, for an increase of \$500 thousand. This increase results from an increase in cash and cash equivalents offset by a decrease in capital assets.

During the year Northlands worked with various groups to assist with the long term needs of our facilities. The City of Edmonton has committed over \$11 million for improvements to Rexall Place over the next ten years and Horse Racing Alberta is reinvesting \$8.5 million in infrastructure at the Spectrum over the next five years.

Northlands uses excess funds for site redevelopment and major maintenance requirements. The Company continually monitors cash flow and restricts discretionary spending as required to ensure that liquidity levels are maintained.

Northlands Park continues to be a net contributor to federal and provincial agencies. The following table outlines the net funds generated by Northlands over the last ten years through its various gaming activities.

Net Funds Generated by Northlands Park to Federal and Provincial Agencies											
\$ Millions	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	10 Year Cumulative
HRA <sup>1</sup> /ARC <sup>2</sup> fees and levies	5.0	4.8	4.8	4.6	4.2	4.1	4.6	4.8	5.0	5.8	47.7
AGLC <sup>3</sup> gaming proceeds	36.2	30.6	23.2	13.2	11.8	9.6	7.3	4.4	1.0	0.9	138.2
Federal tax	0.7	0.7	0.7	0.7	0.6	0.6	0.7	0.7	0.7	0.8	6.9
<i>Generated by Northlands</i>	<i>41.9</i>	<i>36.1</i>	<i>28.7</i>	<i>18.5</i>	<i>16.6</i>	<i>14.3</i>	<i>12.6</i>	<i>9.9</i>	<i>6.7</i>	<i>7.5</i>	<i>192.8</i>
Discretionary grant/pari-mutuel tax rebate	0.7	0.8	0.8	0.8	0.7	0.7	0.8	0.8	0.9	1.0	8.0
HRA Operating Grant	7.4	6.3	4.8	-	-	-	-	-	-	-	18.5
HRA Capital Grant	2.0	-	-	-	-	-	-	-	-	-	2.0
Alberta Lottery grants	7.1	7.1	7.1	7.1	7.1	7.2	6.6	5.3	5.2	5.1	64.9
<i>Received by Northlands</i>	<i>17.2</i>	<i>14.2</i>	<i>12.7</i>	<i>7.9</i>	<i>7.8</i>	<i>7.9</i>	<i>7.4</i>	<i>6.1</i>	<i>6.1</i>	<i>6.1</i>	<i>93.4</i>
<i>Net funds generated by Northlands</i>	<i>24.7</i>	<i>21.9</i>	<i>16.0</i>	<i>10.6</i>	<i>8.8</i>	<i>6.4</i>	<i>5.2</i>	<i>3.8</i>	<i>0.6</i>	<i>1.4</i>	<i>99.4</i>

Excludes City of Edmonton support payments of \$2.3 million per annum which was used solely to fund a portion of the financial concessions given to the Oilers.  
 AGLC gaming proceeds for 1997-2001 are net of funds (2001: \$6.0 million; 2000: \$5.6 million; 1999: \$4.5 million; 1998: \$3.4 million; 1997: \$823 thousand) retained by Northlands to fund racing operations and capital improvements.

<sup>1</sup>HRA (Horse Racing Alberta), <sup>2</sup>ARC (Alberta Racing Commission), <sup>3</sup>AGLC (Alberta Gaming and Liquor Commission)

## Consolidated Statement of Cash Flows

	2004 \$000s	2003 \$000s	2002 \$000s
Cash and cash equivalents, beginning of year	10,881	864	1,481
Cash provided by (used in):			
Operating activities	8,108	13,997	6,733
Investing and financing activities	(5,625)	(3,980)	(7,350)
Cash and cash equivalents, end of year	13,364	10,881	864

## Debt Repayment

Long-term debt includes specific term borrowings; the Company anticipates principal repayments of these borrowings to continue under the terms of each loan as scheduled below:

Year	Long-term debt \$000s	Capital Lease Payments \$000s	Total \$000s
2005	1,000	64	1,064
2006	1,006	26	1,032
2007	1,013	4	1,017
2008	1,020	—	1,020
2009	1,027	—	1,027
Thereafter	2,352	—	2,352
	7,418	94	7,512
Less related interest	—	(5)	(5)
	7,418	89	7,507

## Capital Projects

During 2005 significant projects will include:

- 1) East lands expansion developing parking spaces and midway infrastructure
- 2) Completion of the paddock, walking ring and retrofit of existing indoor paddock for customer service areas
- 3) Racetrack infield and perimeter lighting
- 4) Rexall Place food service enhancements

The east lands expansion is in accordance with the 'Northlands Park Strategic Plan' and is the first phase of construction adding parking inventory and allows for the reconfiguration of the midway as new facilities are constructed in the future.

## Major Maintenance

During 2005 significant projects will include:

- 1) Replacement of carpet in Colours Restaurant
- 2) AgriCom roof repair
- 3) Commence replacement of obsolete hall lighting in the AgriCom
- 4) Continuation of asphalt repair across the site



Northlands has a significant obligation for the maintenance and capital renewal of the existing facilities and site. The table below projects anticipated expenditures over 10 years to maintain these assets. Management is currently assessing alternative sources of funding for these projects, as expenditures are restricted by the availability of sustainable cash generated from operations, supplemented by operating lines of credit.

The estimated requirements in the following table are stated in 2004 base dollars.

Year	Major Maintenance \$000s	Capital \$000s	Total Projected Expenditures \$000s
2005	3,070	21,642	24,712
2006	4,665	5,758	10,423
2007	4,531	3,872	8,403
2008	5,568	3,751	9,319
2009	6,475	4,477	10,952
2010	3,400	5,100	8,500
2011	4,830	4,623	9,453
2012	3,060	4,880	7,940
2013	3,086	4,745	7,831
2014	3,017	4,895	7,912
	41,702	63,743	105,445

## RISK AND RISK MANAGEMENT

Management recognizes that, despite the excellent results for 2004, the risks and uncertainties identified below could have a negative effect on the financial condition or results of the operation of Northlands Park. Capitalizing on new opportunities for growth is key to our ongoing success. We must continue to look for innovative ways to balance plans for the future while responding to and overcoming the challenges and uncertainties we currently face.

### General economic conditions

Economic conditions affect the demand for our products and services. Since Northlands Park's major activities centre around entertainment and trade shows, our ticket sales, gate receipts and general levels of participation are closely connected to the amount of disposable income that is available locally.

Since many of the performers who appear at Rexall Place are from the United States, changes in the US exchange rate can have a major impact on the number of shows we can book. Similarly, cost increases such as the recent significant rise in utility rates can have a major effect on our bottom line. We enter into long-term contracts for utilities when it makes sense but overall face uncertainties because utility costs are unstable. As well, our ability to initiate appropriate increases to balance these costs is limited by our long-term arrangements to market our products and their associated costs many months ahead of the events.

We constantly monitor economic conditions, including interest rates, and respond by implementing strategies to mitigate risk. In particular, we work to get the best value for every dollar spent and to adjust our expenditure plans in relation to our net income.

### Customer satisfaction

Essentially, the success of Northlands Park depends on our ability to accommodate the needs of our customers and keep them satisfied. We must offer them high-quality, varied and appropriate entertainment and provide excellent service and facilities. We need to be innovative and creative to ensure that Northlands Park is always an exciting and pleasant place to visit.

Even though we have a strong service model and consistently receive compliments in that regard, we need to maintain our focus on treating customers well. We recognize that the most effective business strategy is to keep our customers coming back. It is much easier to obtain repeat business than to find new customers. We also focus on our local market advantages over other western Canadian locations, including our ability to offer our facilities at very competitive rates.

In our business, sudden or unanticipated changes in the customers' choices are a very real challenge. We work hard to ensure that we understand and respond to and where possible anticipate these trends. An example of these efforts is our annual Klondike Days patron assessment conducted by a contracted organization. This assessment provides useful feedback that has helped managers to better understand the interests of the core audience and consequently serve them more effectively in future years.

Sometimes we know our customers' preferences but must work within certain limitations and factors beyond our control. With regard to events at Rexall Place, for example, our geographical location makes us highly dependent on the touring plans of the performers. As well, we have to work with the schedules of two full-time hockey teams.

### **Environmental conditions**

Often major events produced by or held at Northlands Park are weather sensitive. The elements can have a seriously negative impact on the cost of delivering an event as well as impacting attendance and potential revenues.

Alberta's agricultural sector, which has been coping with the BSE crisis and drought conditions for the past several years, has to find Farmfair International (FFI) worth the time and money those exhibitors and buyers must spend in order to participate.

### **Increasing competition**

Maintaining our business requires us to compete with other agencies and organizations throughout Western Canada and in some cases even further afield. In the competitive catering market in Edmonton, we are striving to develop and enhance a niche market that caters to large volume functions that other venues are unable to accommodate. Another source of potential competition is the expansion of the trade centre in Vancouver that will be able to accommodate much larger trade shows than the ones we hold at Northlands Park. Our ability to pursue site development plans will be a key factor in keeping large trade shows or attracting new ones in the future. Our exhibition facilities need to be expanded to more effectively meet our customers' specific needs. We need at least two more halls in addition to breakout rooms for meetings, which are not currently available.

In some ways, FFI has a symbiotic relationship with other such events (Agribition in Regina, the Royal Winter Fair in Toronto, the Denver Cattle Show), in that there is a circuit of livestock shows. However, there is also competition for participants. We deal with this competition by constantly striving to make FFI a dynamic and business-centred event – a place where cattlemen want to market their animals, network and learn about new agri-business opportunities.

Purse levels are all-important to the revenue potential of live horse racing and despite an active racing community in Alberta, our geographical location creates some limitations. For example, attracting good jockeys is an ongoing challenge because of immigration issues and the often better incomes that are available elsewhere – not to mention the warmer climates at most racetracks in the United States.

In addition to the City of Edmonton's smoking bylaw to be introduced in July 2005, the Spectrum Slot room will face additional challenges in the near future. Increased competition is expected when a new casino/hotel complex in northeast Edmonton opens in 2007. This may have a substantial impact on the Spectrum Slot room, as a large portion of our customers resides in the northeast corner of the city. Ongoing promotions will be increased to build and retain a loyal customer base.



In the area of major event productions, a diverse offering of festivals and other entertainment options in Edmonton and area creates competitive choices for consumers. Edmonton is the 'City of Festivals' in which Klondike Days competes, additional competition comes from a year round indoor amusement park, therefore we are continually looking for ways to improve and plan for the future.

### Management of facilities and staffing

The use of facilities at Northlands Park peaks during certain times of the year. For example, the AgriCom is fully booked during the trade show seasons of mid-January to May and September to mid-November. Due to this 'peak season' factor, we have a very limited capacity to accommodate any significant growth in the size of existing shows and clients, or to bring in new trade shows. Additional breakout rooms would open the market to new business opportunities mid-week. As well, it is often challenging to take bookings at Rexall Place during the hockey season because many dates are used for games. However, we work closely with the Edmonton Oilers to accommodate as many bookings as possible.

Enhancing and further developing our facilities is a high priority. All of our major buildings are aging: the Sportex was built in 1963, Rexall Place in 1974, which has undergone two major renovations and the AgriCom in 1984. As the buildings get older they will remain in use, however the mechanical equipment inside these buildings has reached the end of their useful lives. The Spectrum has had \$26 million invested in renovations over the last ten years to keep this facility a first class racing and gaming entertainment centre.

Setting aside funding to maintain all of the facilities and the Northlands site, although also challenging, is an essential function that is closely related to our financial success. To help us set priorities and make good decisions, we identify all facilities maintenance, and repair requirements. At the same time we recognize that the environment in which we operate is constantly changing and that priorities must change accordingly.

The scheduling of maintenance projects is complex as well. The buildings are in use for a good part of the year and during those periods the employees who do maintenance work are also engaged in setting up, tearing down and assisting with events.

There is an increased reliance on external contractors to carry out a range of maintenance activities. As a result, in 2004 we continued to cultivate positive relationships with contractors to help ensure their availability, as they are currently in high demand throughout Alberta.

We face challenges with regard to staffing. Like many other organizations today, the Northlands Park staff includes many baby boomers who are approaching the end of their careers. Our full time staff of 270 employees has 63 individuals eligible for retirement within the next five years. This rate of retirement, combined with a competitive job market, means our top priorities must be development of competitive wage and benefit packages and succession plans.

### Strategic partnerships and corporate sponsorships

As a non-profit organization that serves the north-central Alberta community and Edmonton in particular, Northlands Park relies on a wide range of strategic partnerships. Although we work hard to cultivate, expand and strengthen these relationships, there are ongoing challenges associated with balancing the needs of these diverse partners.

Currently, our major partners include Horse Racing Alberta (HRA), the Canadian Professional Rodeo Association (CPRA) and the Edmonton Oilers. The racing and gaming business area has a longstanding and positive relationship with HRA. We work closely with the Oilers to set priorities regarding improvements to the infrastructure and the team's access to Rexall Place.

Another key partner is the City of Edmonton, which benefits from our ability to attract business for local retailers, restaurants and hotels; and the community as a whole. Since 1998, the City has annually provided a \$2.4 million grant to partially fund the operational costs of Rexall Place. Effective July 1, 2004, the annual grant was reduced to \$2.2 million and an annual adjustment for inflation commenced January 1, 2005. In addition, the City agreed to assume responsibility for funding capital improvements that preserve the life of Rexall

Place, with Northlands retaining responsibility for capital improvements related to the building's operating functionality and aesthetics. Should the lack of NHL hockey become a permanent change, the grant from the City would require renegotiation.

The recent agreement between Northlands and the CPRA to keep the Canadian Finals Rodeo in Edmonton until 2013 provides a significant amount of stability for our operations. Nonetheless, the continuing success of this event depends on our ability to balance the needs of professional rodeo competitors against our goals related to event management and entertainment.

During the year the Company was granted a Class 'A' racing licence by HRA for a five year term, renewable annually. As part of the licencing process, HRA has committed to provide \$8.5 million in capital grants over the next five years. These grants will be used to fund capital improvements that are directly related to horse racing. The first project, the construction of an outdoor paddock, commenced in 2004 and is scheduled to be ready for the start of the 2005 thoroughbred season. The Company has committed to spend \$5.2 million in capital expenditures relating to the racing facilities in addition to the \$8.5 million received from HRA.

The company will fund its capital commitment for the racing facilities from cash flow generated from racing operations. This cash flow can be materially affected by the operating grant that we receive from HRA. The operating capital and grants are based on a percentage of net win from slot operations, therefore a significant drop in net win will result in the deferral of the proposed capital expenditures.

There may be opportunities to attract different types of corporate sponsorship. Currently they are primarily event-based; more broadly focused sponsorships could provide more exposure for sponsors as well as more dollars for Northlands Park.

We also work in partnership with our invaluable corps of volunteers, whose interaction with visitors and guests creates an enhanced entertainment experience that may translate into an increased number of visits to our sites and events. Volunteer involvement contributes to an increased awareness of our products and services, and helps us to enhance our relationships with our guests and the community. Consequently, we work closely with the volunteers inviting them to serve on a number of committees and listening carefully to their suggestions.

### Public relations

We continually strive to raise our profile and improve our image – both in the community and with our partners and sponsors. We recognize the importance of effective promotion and marketing, and we use these tools to attract more business as required. We have launched a number of corporate and targeted marketing campaigns and promotional activities designed to efficiently reach the people who we are attempting to draw to our site.



## MANAGEMENT REPORT

The accompanying consolidated financial statements of Edmonton Northlands (operating as Northlands Park) and all the information in this annual report are the responsibility of Management and have been approved by the Board of Directors.

The consolidated financial statements have been prepared by Management in accordance with generally accepted accounting principles. When alternative accounting methods exist, Management has chosen those it deems most appropriate in the circumstances. The significant accounting policies used are described in note 2 to the consolidated statements. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly, in all material respects. Management has prepared the financial information presented elsewhere in the annual report and has ensured that it is consistent with that in the consolidated financial statements.

Northlands Park maintains systems of internal accounting and administrative controls of high quality. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the Company's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that Management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Finance and Audit Committee.

The Finance and Audit Committee is appointed by the Board, which is comprised of ten members, none of which are employees of the Company. The Committee meets periodically with Management and the independent auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the financial statements and the auditor's report.

The Committee reports its findings to the Board for consideration when approving the financial statements for issuance to the shareholder members. The Committee also considers, for review by the Board and approval by the shareholder members, the engagement or re-appointment of the auditors.

The consolidated financial statements have been audited by Grant Thornton in accordance with generally accepted auditing standards on behalf of the shareholder members. Grant Thornton has full and unrestricted access to the Finance and Audit Committee, with or without management being present.



General Manager  
& Chief Operating Officer



Chief Financial Officer  
Corporate Secretary  
& Treasurer

## AUDITORS' REPORT

To the Members of Edmonton Northlands:

We have audited the consolidated balance sheet of Edmonton Northlands (operating as Northlands Park) as at December 31, 2004 and the consolidated statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material aspects, the financial position of Edmonton Northlands as at December 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The consolidated financial statements as at December 31, 2003 and the year then ended were audited by another firm of Chartered Accountants who expressed an unqualified opinion on these statements in their report dated February 27, 2004.

Edmonton, Canada  
February 25, 2005

*Grant Thornton LLP*  
Chartered Accountants

Edmonton Northlands

CONSOLIDATED BALANCE SHEET

As at December 31

	2004 \$	2003 \$
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	13,363,774	10,880,614
Accounts receivable [note 3 – page 48]	3,998,910	3,794,880
Inventories	408,601	416,783
Prepaid expenses	577,883	589,812
<b>Total current assets</b>	<b>18,349,168</b>	<b>15,682,089</b>
Capital assets [note 4 – page 49]	77,017,958	79,227,237
	<b>95,367,126</b>	<b>94,909,326</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	11,229,521	9,033,286
Deferred revenue	1,862,391	1,949,508
Funds held for others [note 5 – page 49]	2,316,434	5,413,948
Current portion of long-term debt [note 6 – page 50]	4,746,321	5,756,623
<b>Total current liabilities</b>	<b>20,154,667</b>	<b>22,153,365</b>
Long-term debt [note 6 – page 50]	2,760,447	2,920,298
Contributions for expansion of facilities and capital debt retirement [note 7 – page 51]	47,348,910	48,965,747
	<b>70,264,024</b>	<b>74,039,410</b>
<b>Net Assets</b>		
Share capital [note 9 – page 52]	1,445	1,405
Invested in capital assets	21,446,706	21,071,706
Accumulated operating surplus/(deficit)	3,654,951	(203,195)
<b>Total net assets</b>	<b>25,103,102</b>	<b>20,869,916</b>
	<b>95,367,126</b>	<b>94,909,326</b>

Commitments and contingencies [note 8 – page 52]

See accompanying notes

On behalf of the Board:

Director

Director



Edmonton Northlands

# CONSOLIDATED STATEMENT OF OPERATIONS

Year ended December 31

	2004 \$	2003 \$
<b>Revenue</b> [note 10 – page 53]	<b>108,638,739</b>	99,620,906
<b>Expenses</b> [note 10 – page 53]	<b>106,490,139</b>	99,167,853
<b>Event contributions</b> [note 10 – page 53]	<b>2,148,600</b>	453,053
<b>Other revenues and expenses:</b>		
General grounds and building maintenance	<b>4,578,824</b>	4,401,961
General, administration and corporate programs	<b>3,098,471</b>	2,741,635
Sales and marketing	<b>1,640,956</b>	1,523,398
Depreciation, net of amortization of capital contributions	<b>4,819,942</b>	3,539,069
Interest expense [note 11 – page 54]	<b>495,903</b>	609,523
<b>Operating loss before undernoted</b>	<b>(12,485,496)</b>	(12,362,533)
Grant income [note 12 – page 54]	<b>16,718,642</b>	15,728,658
<b>Net earnings for the year</b> [note 10 – page 53]	<b>4,233,146</b>	3,366,125

# CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

	Invested in Capital Assets \$	Accumulated Operating Surplus \$	Share Capital \$	2004 \$	2003 \$
<b>Balance, beginning of year</b>	<b>21,071,709</b>	<b>(203,198)</b>	<b>1,405</b>	<b>20,869,916</b>	17,503,766
Net earnings for the year	—	<b>4,233,146</b>	—	<b>4,233,146</b>	3,366,125
Depreciation, net of amortization of capital contributions	<b>(4,819,942)</b>	<b>4,819,942</b>	—	—	—
Investment in capital assets funded from operations, net of related debt and capital contributions	<b>4,024,786</b>	<b>(4,024,786)</b>	—	—	—
Repayment of long-term debt	<b>1,170,153</b>	<b>(1,170,153)</b>	—	—	—
Increase in share capital	—	—	<b>40</b>	<b>40</b>	25
<b>Balance, end of year</b>	<b>21,446,706</b>	<b>3,654,951</b>	<b>1,445</b>	<b>25,103,102</b>	20,869,916

See accompanying notes

Edmonton Northlands

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended December 31

	2004 \$	2003 \$
<b>CASH PROVIDED BY (USED IN):</b>		
<b>OPERATING ACTIVITIES</b>		
Net earnings for the year	4,233,146	3,366,125
Items not affecting cash:		
Depreciation, net of gain/loss on disposals	6,476,672	6,083,936
Amortization of contributions	(1,644,337)	(2,544,867)
	9,065,481	6,905,194
(Increase) decrease in non-cash working capital related to operations:		
Accounts receivable	(204,030)	1,528,432
Inventories	8,182	81,381
Prepaid expenses	11,929	438,876
Accounts payable and accrued liabilities	2,411,212	1,922,612
Deferred revenue	(87,117)	(241,608)
Funds held for others, net of restricted cash	(3,097,514)	3,361,262
<b>Cash provided from operating activities</b>	<b>8,108,143</b>	<b>13,996,149</b>
<b>INVESTING AND FINANCING ACTIVITIES</b>		
Increase in long term debt	—	166,035
Purchase of capital assets, net of proceeds from disposals	(4,482,370)	(3,084,046)
Contributions for expansion of facilities and capital debt retirement	27,500	107,879
Repayment of long-term debt	(1,170,153)	(1,169,714)
Increase in share capital	40	25
<b>Cash used in investing and financing activities</b>	<b>(5,624,983)</b>	<b>(3,979,821)</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,483,160</b>	<b>10,016,328</b>
Cash and cash equivalents, beginning of year	10,880,614	864,286
<b>Cash and cash equivalents, end of year</b>	<b>13,363,774</b>	<b>10,880,614</b>

See accompanying notes



## Edmonton Northlands

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2004

## 1. PURPOSE OF THE ORGANIZATION

Edmonton Northlands, formerly The Edmonton Exhibition Association Limited which was incorporated in 1908, is the successor to the Edmonton Agricultural Society of 1879 and The Edmonton Industrial Exhibition Association of 1899. During 1995, Edmonton Northlands adopted the operating name, Northlands Park. Edmonton Northlands is incorporated under Part 9 of the Companies Act of Alberta as a non-profit organization. Edmonton Northlands purpose is to provide programs and facilities to benefit the residents of Northern Alberta in the fields of agriculture, racing and gaming, trade shows, exhibitions, entertainment and community service. The Directors of Edmonton Northlands are elected volunteers who are not paid for their services. The shareholders of Edmonton Northlands, who are also volunteers, cannot receive dividends, nor can their shares appreciate in value. Shares cannot be sold, held by persons residing outside the Province of Alberta or by the estates of deceased shareholders.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of presentation

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the policies set out below. To prepare financial statements that conform with generally accepted accounting principles, management must make estimates and assumptions to arrive at the reported amounts of assets, liabilities, revenue and expenses during the reporting period and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

### Principles of consolidation

The consolidated financial statements include the accounts of Edmonton Northlands ("The Company" or "Northlands") and its wholly owned subsidiary, Lorlej Racing Services Ltd. The Company's 55% interest in the Alberta Teletheatre Network (ATN) racing joint venture is accounted for using the proportionate consolidation method whereby consolidated accounts include the Company's share of joint venture assets, liabilities, revenues, expenses and cash flows.

### Cash and cash equivalents

Cash and cash equivalents include highly liquid investments with original maturities of three months or less at the time of purchase.

### Inventories

Inventories are valued at the lower of cost and net realizable value. Supplies are valued at the lower of cost and replacement cost.

## Edmonton Northlands

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2004

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Capital assets

Capital assets are carried at cost less accumulated depreciation. Except for land and properties acquired for future expansion, depreciation is provided for on a straight-line basis over the estimated useful lives of the assets as follows.

<u>Assets</u>	<u>Useful life</u>
Rexall Place and AgriCom	50 years
Spectrum	25 years
Other buildings and improvements	25 years
Equipment	3 to 20 years

Depreciation is charged on constructed capital assets from the date that the projects are substantially complete.

### Capital leases

Leases that substantially transfer all of the benefits and risks of ownership of property to the Company are accounted for as capital leases whereby the asset and related obligation are recorded to reflect the acquisition and financing of the capital assets. Equipment recorded under capital leases is depreciated on the same basis as described above.

### Revenue recognition

Racing and gaming revenues consist of pari-mutuel commissions and gaming wins net of patron winnings. Racing and gaming revenue is recognized at the time amounts are wagered.

Event production revenue is recognized when the event occurs. Proceeds received in advance for events produced by Northlands are recorded as deferred revenue. Proceeds received in advance for events produced by third parties are recorded as funds held for others.

The Company follows the deferral method of accounting for grants and contributions. Amounts externally restricted for capital purposes, including the acquisition of property for expansion, construction of facilities or retirement of capital debt, are credited to "Contributions for expansion of facilities and capital debt retirement" and are amortized into income each year on the same basis as the related assets are depreciated. Unrestricted contributions are recognized as revenue when received or receivable.



## Edmonton Northlands

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2004

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Interest swap

An interest swap is utilized to reduce interest rate risk on the Company's long-term debt. The Company does not enter into financial instruments for trading or speculative purposes. The Company believes that the interest rate swap is effective as a hedge over the term of the instrument, as the term to maturity, the (notional) principal amount and the interest rate basis in the instrument all match the terms of the debt instrument being hedged. The interest swap agreement involves the periodic exchange of payments without the exchange of the notional principal amount upon which the payments are based, and are recorded as an adjustment to interest expense on the hedged debt instrument. The related amount payable to or receivable from the counterparties is included as an adjustment to accrued interest.

### Contributed services

A substantial number of unpaid volunteers make significant contributions of their time in developing the Company's programs. The value of this contributed time is not reflected in these financial statements since objective measurement or valuation is not readily determinable.

### Non-monetary transactions

The revenue and expenses resulting from non-monetary transactions have been recorded at the fair market value of the asset or service received, as it is the most readily determinable. During 2004, the Company provided and received services and products in kind of approximately \$517,598 (2003 - \$744,191).

### Pension costs

The Company participates in a multi-employer plan covering substantially all permanent, full-time employees. The pension plan is accounted for as a defined contribution plan whereby the Company's required contributions are recognized in the period in which they are incurred.

Included in expense for the year-end is \$862,438 (2003 - \$657,548) in respect of pension contributions payable for eligible employees.

### Income tax status

The Company is a not-for-profit organization within the meaning of the Income Tax Act (Canada) and is exempt from income taxes.

## Edmonton Northlands

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2004

### Revenue risk

Northlands earns revenue from a wide variety of customers and has no concentration of revenue risk with any particular individual, company or other entity except for the racing and gaming revenues which are subject to an agreement between the Company, AGLC and HRA representing 38% (2003 – 35%) of total revenues. The Company does not have any other customers whose revenues exceed 10% of total revenues.

### 3. FINANCIAL INSTRUMENTS

Financial instruments of Northlands include cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, funds held for others, long-term debt, and an interest swap.

#### Fair values of financial assets and liabilities

The fair values of financial instruments excluding long-term debt and the interest rate swap approximate their carrying amount due to the short-term maturity of these instruments. The carrying values of other financial assets and financial liabilities approximate fair values except as otherwise disclosed in the financial statements.

#### Credit risk

The Company's accounts receivable are due from a diverse group of customers and as such, are subject to normal credit risks. At December 31, 2004, 13.4% (2003 – 19.6%) of accounts receivable is due from a third party. In addition, accounts receivable include 23.5% (2003 – 15.3%) and 15.5% (2003 – nil) due from HRA and the AGLC, respectively. The Company does not anticipate any difficulties in collecting these amounts.

#### Interest rate risk

The Company has entered into an interest rate swap agreement transaction to protect itself from exposure to interest rate increases on floating rate debt. Details of this transaction can be found in note 6.



## Edmonton Northlands

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2004

## 4. CAPITAL ASSETS

	2004		2003	
	Cost	Accumulated depreciation	Cost	Accumulated depreciation
	\$	\$	\$	\$
Rexall Place	29,387,403	18,686,081	29,387,403	17,989,291
AgriCom	39,329,466	16,607,345	39,329,466	15,805,694
Spectrum	26,130,783	11,366,538	25,658,835	9,221,335
Other buildings and improvements	27,858,679	22,292,426	26,967,447	21,705,148
Equipment	33,811,508	25,471,935	31,104,549	23,290,581
Properties acquired for future expansion	14,924,444	—	14,791,586	—
	171,442,283	94,424,325	167,239,286	88,012,049
<b>Net book value</b>	<b>77,017,958</b>		<b>79,227,237</b>	

Included in equipment is equipment under capital lease with a cost of \$176,065 (2003 - \$312,712) and accumulated depreciation of \$52,820 (2003 - \$140,589).

## City of Edmonton land lease

The land on which the Company's facilities are located, including properties acquired for future expansion, is held in the name of the City of Edmonton (the "City") and leased to the Company for a rent of \$1 per year. The lease expires in 2034. At the expiration or earlier termination of the lease, the buildings and improvements on the leased lands will revert to the City. Provided that the Company is in good standing, the City is obligated to grant a renewal lease for a further term of 15 years at a cost, and upon other terms and conditions, to be agreed upon by the parties.

## 5. FUNDS HELD FOR OTHERS

Funds held for others include advance ticket sales, telephone account betting deposits, employee savings plan deposits, and other amounts held on behalf of other parties. Employee savings plan deposits bear interest at prime less 1.5 % and are collateralized by a letter of credit from the Company's bank. The Company holds \$2,316,434 (2003 - \$5,413,948) on behalf of third parties.

## Edmonton Northlands

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2004

#### 6. LONG-TERM DEBT

	2004 \$	2003 \$
City of Edmonton loan for the Rexall Place scoreboard due September 30, 2021, interest rate 6.0%, annual installments of \$270,272 principal and interest. [note 16]	2,831,711	2,926,399
Ticketmaster loan for Fan Access™ gate system is unsecured, non-interest bearing, annual installments calculated based on \$0.25 per ticket sold.	-	26,282
Term bank loan primarily for the Spectrum, interest at 6.558%, monthly installments until December 30, 2009 of \$50,000 plus interest.	3,085,110	3,744,498
Term bank loan primarily for the Spectrum, interest at prime plus 0.5%, monthly installments until December 30, 2009 of \$25,000 plus interest.	1,501,360	1,822,249
Capital leases with terms of 60 months, interest rates ranging from 9.11% to 9.75%, and average total monthly payments of \$1,213.	88,587	157,493
	<b>7,506,768</b>	<b>8,676,921</b>
Amount due within one year	<b>4,746,321</b>	<b>5,756,623</b>
	<b>2,760,447</b>	<b>2,920,298</b>

The City of Edmonton loan for the Rexall Place scoreboard is collateralized by the scoreboard which has a net book value of \$2,635,000 (2003 - \$2,790,000).

At December 31, 2004 the prime bank lending rate was 4.25% (2003 - 4.50%) and the Company had available an undrawn demand operating loan for \$3,000,000. The bank holds, as collateral for the operating and term loans, a general security agreement providing a first security interest on all property except for the scoreboard for which it has a second charge, a general assignment of book debts, an assignment of the Edmonton Investors Group Ltd. License Agreement and an assignment of the Company's Alberta Lottery grant proceeds. The term loan agreements contain certain covenants that allow the bank to demand repayment. Therefore the term loans are classified as current.

The Company has entered into an interest rate swap agreement with a Canadian chartered bank whereby the Company has fixed interest payments on its \$3,050,000 (2003 - \$3,700,000) long-term debt. As a result of this arrangement the Company has fixed the interest rate at 6.558% per annum to December 30, 2009. The fair market value of the interest rate swap at December 31, 2004 has been estimated using year-end market rates. This fair market value, which would result in an estimated loss of \$102,510 (2003 - loss of \$111,605) approximates the amount that the Company would pay if the swap agreement was closed out at December 31, 2004.



## Edmonton Northlands

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2004

#### 6. LONG-TERM DEBT (CONTINUED)

The fair market value of the City of Edmonton loan at December 31, 2004 has been estimated using year-end market rates. This fair market value, which would result in an estimated gain of \$102,510 (2003 – loss of \$83,353) approximates the amount the Company would pay if the loan agreement was closed out at December 31, 2004.

Long-term debt includes specific term borrowings. These term borrowings contain “demand features” that allow the creditor to call the loan and as result have been reflected as current liabilities. The creditor has not indicated an intention to force the repayment within the current period and the Company anticipates principal repayments of these borrowings to continue under the terms as scheduled below:

	Long-term debt	Capital Lease Payments	Total
	\$	\$	\$
2005	1,000,369	64,114	1,064,483
2006	1,006,392	25,435	1,031,827
2007	1,012,775	4,022	1,016,797
2008	1,019,542	—	1,019,542
2009	1,026,714	—	1,026,714
Thereafter	2,352,389	—	2,352,389
	7,418,181	93,571	7,511,752
Less related interest	—	(4,984)	(4,984)
	7,418,181	88,587	7,506,768

#### 7. CONTRIBUTIONS FOR EXPANSION OF FACILITIES AND CAPITAL DEBT RETIREMENT

Accumulated restricted contributions received less amounts amortized are summarized as follows:

	2004	2003
	\$	\$
<b>Grants and contributions</b>		
Province of Alberta - Lotteries	66,132,114	66,132,114
Province of Alberta - other	26,361,253	26,361,253
Horse Racing Alberta	2,135,379	2,107,879
Government of Canada	9,100,000	9,100,000
City of Edmonton	3,700,000	3,700,000
Total grants and contributions received	107,428,746	107,401,246
Accumulated amortization	60,079,836	58,435,499
Unamortized grants and contributions	47,348,910	48,965,747

## Edmonton Northlands

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2004

#### 8. COMMITMENTS AND CONTINGENCIES

The Company has entered into equipment operating leases with terms up to seven years. Minimum lease payments for future years are:

	\$
2005	621,000
2006	480,000
2007	344,000
2008	245,000
2009	49,000

Northlands operates the racetrack under Horse Racing Alberta's (HRA) Racetrack Licensing Rules. The HRA granted the Company a Class 'A' license extension for the years 2004 through 2013. Under the terms and conditions of the license, the Company is required to expand the racetrack. The terms and conditions of the amended license are subject to the approval of the Board of Directors.

During the normal course of business activity the Company is occasionally involved in litigation proceedings. At December 31, 2004, certain lawsuits and other claims were pending against the Company. While the outcome of these matters is subject to future resolution, management's evaluation and analysis of such matters indicates that, individually and in the aggregate, the probable ultimate resolution of such matters will not have a material effect on the Company's consolidated financial statements.

#### 9. SHARE CAPITAL

	2004 \$	2003 \$
<b>Authorized</b>		
300 Shares of \$5 each		
<b>Issued</b>		
289 Shares (2003: 281 shares)	1,445	1,405



# Edmonton Northlands

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2004

### 10. BUSINESS UNITS

The Company organizes itself into four primary business units based on the nature of the products or services provided.

	2004 \$	2003 \$
<b>Revenues</b>		
Northlands Productions	15,101,860	14,144,992
Agriculture	1,801,537	1,711,946
Racing and gaming	69,448,461	60,893,292
Facility Sales and Event services	22,286,881	22,870,676
	<b>108,638,739</b>	<b>99,620,906</b>
<b>Expenses</b>		
Northlands Productions	11,908,907	11,153,579
Agriculture	2,118,986	1,848,549
Racing and gaming	71,484,114	62,677,045
Facility Sales and Event services	20,978,132	23,488,680
	<b>106,490,139</b>	<b>99,167,853</b>
<b>Event contributions before related grants, interest and depreciation</b>		
Northlands Productions	3,192,953	2,991,413
Agriculture	(317,449)	(136,603)
Racing and gaming	(2,035,653)	(1,783,753)
Facility Sales and Event services	1,308,749	(618,004)
	<b>2,148,600</b>	<b>453,053</b>
<b>Business unit net earnings (loss)</b>		
Northlands Productions	3,102,841	2,910,191
Agriculture	(328,958)	(140,126)
Racing and gaming	2,393,668	2,424,547
Facility Sales and Event services	2,435,671	544,929
Indirect grounds, general expenses and other income	(3,370,076)	(2,373,416)
	<b>4,233,146</b>	<b>3,366,125</b>

## Edmonton Northlands

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2004

#### 11. INTEREST EXPENSE

	2004 \$	2003 \$
Long-term debt interest	497,988	569,007
Short-term debt interest and interest income earned	(2,085)	40,516
	<b>495,903</b>	<b>609,523</b>

#### 12. GRANT INCOME

	2004 \$	2003 \$
Alberta Lottery Fund – Agricultural and Economic Initiatives	7,000,000	7,000,000
Horse Racing Alberta (Note 14)	7,418,642	6,328,658
City of Edmonton Support Agreement	2,300,000	2,400,000
	<b>16,718,642</b>	<b>15,728,658</b>

##### *Alberta Lottery Fund*

The Alberta Government in recognition of Northlands Park's contribution to the economy, the enhancement of agricultural lifestyle in the province through Alberta's agricultural societies, funds these organizations by way of annual funding. The current lottery agreement expires March 31, 2010.

##### *City of Edmonton Support Agreement*

The City of Edmonton Support Agreement provides a contribution towards Rexall Place operating cost of \$183,333 per month or \$2,200,000 per year until May 12, 2013. The \$2,200,000 is adjusted for inflation annually, commencing January 1, 2005. The Company will be required to renegotiate the agreement with the City if there is a material change in the financial status of Northlands or Rexall Place during the term of the agreement.

##### *Other Grants*

Northlands receives funding from various levels of Government. Grants received during the year are applied as follows:

Nature of Grant	Applied to	2004 \$	2003 \$
Agricultural Grants	Agricultural and Commercial Events	126,346	163,420
City of Edmonton	Canadian Finals Rodeo	100,000	—
Alberta Lottery Fund	Canadian Finals Rodeo	250,000	—



## Edmonton Northlands

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2004

#### 13. RACING ENTERTAINMENT CENTRE (REC)

During the year the Company's REC had net win of \$40,472,681 (2003 - \$34,527,141) which has been applied to event production revenue – racing. Of this balance, \$34,940,328 (2003 - \$29,841,252) was remitted to the AGLC which has been applied to event production expenses – racing.

The Company has a Racing Entertainment Centre Agreement (RECA) with the Alberta Gaming and Liquor Commission (AGLC) which provides for an 85% AGLC 15% Northlands net slot win split, with the Company's share of the proceeds to offset expenses of the slot operations. As part of the RECA the Company is required to maintain a Class 'A' racing license as well as conduct a minimum of 100 days of live racing. The RECA contains a seven day termination clause that may be exercised at AGLC's discretion.

The slot net win from the Company's REC operation has been distributed as follows:

	2004	2003
Northlands Park	15.00%	15.00%
Alberta Gaming and Liquor Commission	33.33%	33.33%
Horse Racing Alberta	51.67%	51.67%

#### 14. HORSE RACING ALBERTA (HRA)

HRA general fees, levies and gaming commissions paid by the Company total \$4,299,187 (2003 - \$4,110,775) and have been applied to event production expenses – racing. The discretionary grant received from HRA of 0.95% of the gross handle totals \$744,056 (2003 - \$816,444) and has been applied to event production revenues – racing.

During the year the Company received an operating grant based on 18.33% (2003 - 18.33%) of slot net win totaling \$7,418,642 (2003 - \$6,328,658). The operating grant is received to offset the expenses of ongoing racing activities.

In addition, the Company received a capital grant totaling \$2,006,440 (2003 - Nil) to fund the redevelopment of the paddock which commenced in 2004. The capital grant has been applied to Contributions for expansion of facilities and capital debt retirement.

During the year the Company was granted a Class 'A' racing licence by HRA for a five year term, renewable annually.

## Edmonton Northlands

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2004

#### 15. JOINT VENTURE

The Company holds a 55% interest in the Alberta Teletheatre Network (ATN) joint venture. A summary of the assets, liabilities, revenues, expenses and cash flows included in the consolidated financial statements from the proportionate consolidation of the racing joint venture is as follows:

	2004 \$	2003 \$
<b>Consolidated Balance Sheet:</b>		
Current assets	353,400	425,466
Capital assets	207,962	155,198
Current liabilities	378,055	160,895
<b>Consolidated Statement of Operations:</b>		
Revenue from racing and gaming	1,951,427	1,718,835
Expenses of racing and gaming	(2,257,519)	(1,734,153)
Net loss	(306,092)	(15,318)
<b>Consolidated Statement of Cash Flows:</b>		
Cash flows from operating activities	143,960	247,266
Cash flows from investing activities	(101,157)	(152,635)

#### 16. EDMONTON INVESTORS GROUP LTD. LICENSE

On April 5, 2004, the License Agreement was renewed with the Edmonton Investors Group Limited (EIGL), effective July 1, 2004 for a period of ten years. Under the terms of this agreement, Northlands continues the management and operations of Rexall Place. The License Agreement grants EIGL the right to receive all Oiler game revenues, including net Oiler food and beverage contributions. EIGL is also entitled to all building advertising and sponsorship revenues, suite rental revenues, Oiler ticket surtax revenues as well the Rexall Place parking lot revenue. Northlands is responsible for building operating and capital costs, including the building event costs related to the playing of professional hockey. Under the Agreement, Northlands receives from EIGL building rent of \$1 per annum plus a contribution towards operating costs of \$73,180 per month or \$878,166 per annum for the period July 1, 2004 to June 30, 2014. The EIGL contributions are adjusted annually based on the Consumer Price Index (2004 - \$778,166; 2003 - \$770,305).

The Company entered into an agreement with EIGL to purchase and install a scoreboard in Rexall Place in amount of \$3.2 million. The Company entered into a loan agreement with the City of Edmonton to finance the purchase of the scoreboard.



## Edmonton Northlands

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2004

#### 16. EDMONTON INVESTORS GROUP LTD. LICENSE (CONTINUED)

The License Agreement includes an additional annual contribution of \$270,272 for the use of the scoreboard until September 30, 2021. EIGL has agreed to pay a lesser amount than the loan should the Edmonton Oilers cease to play hockey in Rexall Place during the term of the loan.

#### 17. COMPARATIVE FIGURES

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation in the current year.











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